TITLE II—CONSERVATION

Subtitle A—Conservation Programs of the Food Security Act of 1985

- Sec. 2101. Conservation reserve program.
- Sec. 2102. Wetlands reserve program.
- Sec. 2103. Conservation security program.
- Sec. 2104. Grassland reserve program.
- Sec. 2105. Environmental quality incentives program.
- Sec. 2106. Regional water enhancement program.
- Sec. 2107. Grassroots source water protection program.
- Sec. 2108. Conservation of private grazing land.
- Sec. 2109. Great Lakes basin program for soil erosion and sediment control.
- Sec. 2110. Farm and ranchland protection program.
- Sec. 2111. Farm viability program.
- Sec. 2112. Wildlife habitat incentive program.

Subtitle B—Conservation Programs Under Other Laws

- Sec. 2201. Agricultural management assistance program.
- Sec. 2202. Resource Conservation and Development Program.
- Sec. 2203. Small watershed rehabilitation program.

Subtitle C—Additional Conservation Programs

- Sec. 2301. Chesapeake Bay program for nutrient reduction and sediment control.
- Sec. 2302. Voluntary public access and habitat incentive program.

Subtitle D—Administration and Funding

- Sec. 2401. Funding of conservation programs under Food Security Act of 1985.
- Sec. 2402. Improved provision of technical assistance under conservation programs.
- Sec. 2403. Cooperative conservation partnership initiative.
- Sec. 2404. Regional equity and flexibility.
- Sec. 2405. Administrative requirements for conservation programs.
- Sec. 2406. Annual report on participation by specialty crop producers in conservation programs.
- Sec. 2407. Promotion of market-based approaches to conservation.
- Sec. 2408. Establishment of State technical committees and their responsibilities.

Subtitle E—Miscellaneous Provisions

- Sec. 2501. Inclusion of income from affiliated packing and handling operations as income derived from farming for application of adjusted gross income limitation on eligibility for conservation programs.
- Sec. 2502. Encouragement of voluntary sustainability practices guidelines.
- Sec. 2503. Farmland resource information.

1	Subtitle A—Conservation Programs
2	of the Food Security Act of 1985
3	SEC. 2101. CONSERVATION RESERVE PROGRAM.
4	(a) Authorization and Eligible Land.—Section
5	1231 of the Food Security Act of 1985 (16 U.S.C. 3831)
6	is amended—
7	(1) in subsection (a)—
8	(A) by striking "2007" and inserting
9	"2012"; and
10	(B) by inserting before the period the fol-
11	lowing: "and to address issues raised by State,
12	regional, and national conservation initiatives";
13	and
14	(2) in subsection (b)—
15	(A) in paragraph $(1)(B)$ —
16	(i) by striking "the Farm Security
17	and Rural Investment Act of 2002" and
18	inserting "the [2007 Farm Bill]"; and
19	(ii) by striking the period at the end
20	and inserting a semicolon; and
21	(B) in paragraph (4), by striking the semi-
22	colon at the end of subparagraph (E) and in-
23	serting "; or".

(b) MAXIMUM ENROLLMENT.—Section 1231(d) of
 the Food Security Act of 1985 (16 U.S.C. 3831(d)) is
 amended by striking "2007" and inserting "2012".

4 (c) CONSERVATION PRIORITY AREAS.—Section
5 1231(f) of the Food Security Act of 1985 (16 U.S.C.
6 3831(f)) is amended by striking "the Chesapeake Bay Re7 gion (Pennsylvania, Maryland, and Virginia)" and insert8 ing "the Chesapeake Bay Region".

9 (d) PILOT PROGRAM FOR ENROLLMENT OF WET-10 LAND AND BUFFER ACREAGE IN CONSERVATION RE-11 SERVE.—Section 1231(h)(1)(A) of the Food Security Act 12 of 1985 (16 U.S.C. 3831(h)(1)(A)) is amended by striking 13 "2007" and inserting "2012".

14 (e) MANAGED HAYING AND GRAZING.—Section
15 1232(a)(7) of the Food Security Act of 1985 (16 U.S.C.
16 3832(a)(7)(A)) is amended—

17 (1) in subparagraph (A)—

18 (A) by inserting "and prescribed grazing
19 for the control of invasive species" after "bio20 mass"; and

21 (B) by striking "and" at the end of the22 subparagraph;

(2) by redesignating subparagraph (B) as subparagraph (C); and

1	(3) by inserting after subparagraph (A) the fol-
2	lowing new subparagraph:
3	"(B) managed grazing during the year, ex-
4	cept that in permitting such grazing, the Sec-
5	retary shall—
6	"(i) reduce the rental payment other-
7	wise payable under the contract by a per-
8	centage determined by the Secretary to be
9	appropriate; and
10	"(ii) require a management plan, in-
11	cluding a grazing rate, approved by the
12	Secretary that is consistent with section
13	1231(a); and".
14	(f) Rental Rates.—Section 1234(c) of the Food
15	Security Act of 1985 (16 U.S.C. 3834(c)) is amended by
16	adding at the end the following new paragraph:
17	"(5) County average market dry-land and
18	IRRIGATED CASH RENTAL RATES.—
19	"(A) ANNUAL ESTIMATES.—Beginning not
20	later than one year after the date of the enact-
21	ment of [the 2007 Farm Bill], the National
22	Agricultural Statistics Service shall conduct an
23	annual survey of per acre estimates of county
24	average market dry-land and irrigated cash
25	rental rates for cropland and pastureland in all

1	counties or equivalent subdivisions within each
2	State with 20,000 acres or more of cropland
3	and pastureland.
4	"(B) PUBLIC AVAILABILITY OF ESTI-
5	MATES.— The estimates derived as a result of
6	the annual survey conducted under subpara-
7	graph (A) shall be maintained on a website of
8	the Department of Agriculture for use by the
9	general public.
10	"(C) FUNDING.—Funds to conduct the an-
11	nual survey required by subparagraph (A) shall
12	come from funds made available for the con-
13	servation reserve program under this sub-
14	chapter.".
15	(g) Conservation Reserve Program Transition
16	INCENTIVES.—Section 1235 of the Food Security Act of
17	1985 (16 U.S.C. 3835) is amended—
18	(1) in subsection $(c)(1)(B)$ —
19	(A) in clause (ii), by striking "or" at the
20	end;
21	(B) by redesignating clause (iii) as clause
22	(iv); and
23	(C) by inserting after clause (ii) the fol-
24	lowing new clause:

1	"(iii) to facilitate a transition of land
2	subject to the contract from a retired or
3	retiring owner or operator to a beginning
4	farmer or rancher, socially disadvantaged
5	farmer or rancher, or limited resource
6	farmer or rancher for the purpose of re-
7	turning some or all of the land into pro-
8	duction using sustainable grazing or crop
9	production methods; or"; and
10	(2) by adding at the end the following new sub-
11	section:
12	"(f) Transition Option for Certain Farmers or
12	(I) TRANSITION OF TION FOR CERTAIN FARMENS OR
12	RANCHERS.—
13	RANCHERS.—
13 14	RANCHERS.— "(1) DUTIES OF THE SECRETARY.—In the case
13 14 15	RANCHERS.— "(1) DUTIES OF THE SECRETARY.—In the case of a contract modification approved in order to fa-
13 14 15 16	RANCHERS.— "(1) DUTIES OF THE SECRETARY.—In the case of a contract modification approved in order to fa- cilitate the transfer of land subject to a contract
 13 14 15 16 17 	RANCHERS.— "(1) DUTIES OF THE SECRETARY.—In the case of a contract modification approved in order to fa- cilitate the transfer of land subject to a contract from a retired or retiring owner or operator under
 13 14 15 16 17 18 	RANCHERS.— "(1) DUTIES OF THE SECRETARY.—In the case of a contract modification approved in order to fa- cilitate the transfer of land subject to a contract from a retired or retiring owner or operator under subsection (c)(1)(B)(iii) to a beginning farmer or
 13 14 15 16 17 18 19 	RANCHERS.— "(1) DUTIES OF THE SECRETARY.—In the case of a contract modification approved in order to fa- cilitate the transfer of land subject to a contract from a retired or retiring owner or operator under subsection $(c)(1)(B)(iii)$ to a beginning farmer or rancher, socially disadvantaged farmer or rancher,
 13 14 15 16 17 18 19 20 	RANCHERS.— "(1) DUTIES OF THE SECRETARY.—In the case of a contract modification approved in order to fa- cilitate the transfer of land subject to a contract from a retired or retiring owner or operator under subsection (c)(1)(B)(iii) to a beginning farmer or rancher, socially disadvantaged farmer or rancher, or limited resource farmer or rancher (in this sub-
 13 14 15 16 17 18 19 20 21 	RANCHERS.— "(1) DUTIES OF THE SECRETARY.—In the case of a contract modification approved in order to fa- cilitate the transfer of land subject to a contract from a retired or retiring owner or operator under subsection (c)(1)(B)(iii) to a beginning farmer or rancher, socially disadvantaged farmer or rancher, or limited resource farmer or rancher (in this sub- section referred to as a 'covered farmer or rancher')

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1	"(i) allow the covered farmer or
2	rancher, in conjunction with the retired or
3	retiring owner or operator, to make con-
4	servation and land improvements; and
5	"(ii) allow the covered farmer or
6	rancher, at the election of the covered
7	farmer or rancher, to begin the certifi-
8	cation process under the Organic Foods
9	Production Act of 1990 (7 U.S.C. 6501 et
10	seq.);
11	"(B) beginning on the date of termination
12	of the contract, require the retired or retiring
13	owner or operator to sell or lease (under a long-
14	term lease or a lease with an option to pur-
15	chase) to the covered farmer or rancher the
16	land subject to the contract for production pur-
17	poses;
18	"(C) require the covered farmer or rancher
19	to develop and implement a comprehensive con-
20	servation plan that meets such sustainability
21	criteria as the Secretary may establish;
22	"(D) provide to the covered farmer or
23	rancher an opportunity to enroll in the con-
24	servation security program or the environmental
25	quality incentives program by not later than the

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date on which the farmer or rancher takes possession of the land through ownership or lease; and

4 "(E) continue to make annual payments to
5 the retired or retiring owner or operator for not
6 more than an additional 2 years after the date
7 of termination of the contract, if the retired or
8 retiring owner or operator is not a family mem9 ber (as defined in section 1001A(b)(3)(B) of
10 this Act) of the covered farmer or rancher.

11 "(2) REENROLLMENT.—The Secretary shall 12 provide to a beginning farmer or rancher, socially 13 disadvantaged farmer or rancher, or limited resource 14 farmer or rancher described in paragraph (1) the 15 option to reenroll any applicable partial field con-16 servation practice that is—

17 "(A) eligible for enrollment under the con18 tinuous signup requirement of section
19 1231(h)(4)(B); and

20 "(B) part of an approved comprehensive21 conservation plan.".

(h) EARLY TERMINATION.—Section 1235(e)(1) of
the Food Security Act of 1985 (16 U.S.C. 3835(e)(1)) is
amended by striking "before January 1, 1995,".

1	SEC. 2102. WETLANDS RESERVE PROGRAM.
2	(a) Establishment and Purpose.—Subsection (a)
3	of section 1237 of the Food Security Act of 1985 (16
4	U.S.C. 3837) is amended to read as follows:
5	"(a) Establishment and Purposes.—
6	"(1) ESTABLISHMENT.—The Secretary shall es-
7	tablish a wetlands reserve program to assist owners
8	of eligible lands in restoring and protecting wet-
9	lands.
10	"(2) PURPOSES.—The purposes of the wetlands
11	reserve program are—
12	"(A) to restore, to create, to protect, or to
13	enhance wetlands on lands that are eligible
14	under subsections (c) and (d); and
15	"(B) to authorize the Secretary, at the sole
16	discretion of the Secretary, to purchase flood-
17	plain easements.".
18	(b) MAXIMUM ENROLLMENT.—Section 1237(b) of
19	the Food Security Act of 1985 (16 U.S.C. 3837(b)) is
20	amended—
21	(1) by striking paragraph (1) and inserting the
22	following new paragraph:
23	"(1) MAXIMUM ENROLLMENT.—The total num-
24	ber of acres enrolled in the wetlands reserve pro-
25	gram shall not exceed 3,775,000 acres."; and

(2) by adding at the end the following new
 paragraphs:

3 "(3) ANNUAL ENROLLMENT GOAL.—Of the
4 total number of acres authorized by paragraph (1),
5 to the maximum extent practicable, the Secretary
6 shall enroll 250,000 acres in each fiscal year.

7 "(4) FLOOD-PLAIN EASEMENTS.—Of the acres
8 to be enrolled each fiscal year, not more than 10,000
9 acres may be enrolled using flood-plain easements.".
10 (c) ELIGIBLE LANDS.—Subsection (c) of section
11 1237 of the Food Security Act of 1985 (16 U.S.C. 3837)
12 is amended to read as follows:

"(c) ELIGIBILITY.—For purposes of enrolling land
into the wetland reserve program established under this
subchapter during the 2008 through 2012 fiscal years,
land shall be eligible to be placed into such reserve if the
Secretary determines that—

18 "(1) in the case of wetlands—

19 "(A) the land maximizes wetland values20 and functions and wildlife benefits;

21 "(B) the land is farmed wetland or con22 verted wetland, together with adjacent lands
23 that are functionally dependent on such wet24 lands, except that converted wetlands where the
25 conversion was not commenced prior to Decem-

1	ber 23, 1985, shall not be eligible to be enrolled
2	in the program under this section;
3	"(C) the likelihood of the successful res-
4	toration of such land, and the resultant wetland
5	values, merit inclusion of the land into the pro-
6	gram taking into consideration the cost of such
7	restoration; and
8	"(D) the land consists of riparian areas,
9	including areas that link wetlands that are pro-
10	tected by easements or some other device or cir-
11	cumstance that achieves the same purpose as
12	an easement; or
13	"(2) in the case of flood-plain lands—
14	"(A) the flood-plain land has been dam-
15	aged by flooding at least once within the pre-
16	vious calendar year, or has been subject to flood
17	damage at least twice within the previous 10
18	years; or
19	"(B) the enrollment of other land within
20	the flood plain would contribute to the restora-
21	tion of the flood storage and flow or erosion
22	control.".
23	(d) INELIGIBLE LANDS.—Subsection (e) of section
24	1237 of the Food Security Act of 1985 (16 U.S.C. 3837)
25	is amended to read as follows:

1	"(e) INELIGIBLE LAND.—The Secretary may not ac-
2	quire easements on—
3	"(1) in the case of wetlands—
4	"(A) land that contains timber stands es-
5	tablished under the conservation reserve under
6	subchapter B; or
7	"(B) pasture land established to trees
8	under the conservation reserve under sub-
9	chapter B; or
10	"(2) in the case of flood-plain lands—
11	"(A) land on which implementation of res-
12	toration practices would not be productive; or
13	"(B) land that is subject to an existing
14	easement or deed restriction, and the easement
15	or deed provides sufficient protection or res-
16	toration of the flood plain's functions and val-
17	ues, as determined by the Secretary.".
18	(e) EASEMENTS AND AGREEMENTS.—Section 1237A
19	of the Food Security Act of 1985 (16 U.S.C. 3837a) is
20	amended—
21	(1) in subsection $(a)(2)$, by inserting "if appli-
22	cable," after "(2)";
23	(2) in subsection (b)—

1	(A) in the matter before paragraph (1), by
2	inserting "or flood-plain land" after "values of
3	wetland";
4	(B) in paragraph (1)(B), by inserting "or
5	flood-plain land" after "wetland"; and
6	(C) in paragraph (3), by inserting "or
7	flood-plain lands" after "wetlands";
8	(3) in subsection (f)—
9	(A) by striking "Compensation for" in the
10	first sentence and inserting the following:
11	"(1) Compensation provided; amount.—
12	Compensation for"; and
13	(B) by adding at the end the following new
14	paragraph:
15	"(2) Method for determination of fair
16	MARKET VALUE.—The Secretary shall determine the
17	fair market value of land under paragraph (1) based
18	on the option specified in subparagraph (A), (B),
19	(C), or (D) that results in the lowest amount of
20	compensation to be paid by the Secretary:
21	"(A) A percentage of the fair market value
22	based on the Uniform Standards for Profes-
23	sional Appraisals Procedures, as determined by
24	the Secretary.

1	"(B) A percentage of the market value de-
2	termined by an area wide market survey.
3	"(C) A geographic cap, prescribed in regu-
4	lations issued by the Secretary.
5	"(D) The offer made by the owner of the
6	land."; and
7	(4) by adding at the end the following new sub-
8	section:
9	"(h) Acceptance of Contributions.—The Sec-
10	retary may accept and use contributions of non-Federal
11	funds to administer the program under this subchapter.".
12	(f) DUTIES OF THE SECRETARY.—Section 1237C of
13	the Food Security Act of 1985 (16 U.S.C. 3837c) is
14	amended—
15	(1) in subsection $(a)(1)$ —
16	(A) by inserting "including necessary
17	maintenance activities," after "values,"; and
18	(B) by inserting "or flood plains land"
19	after "wetland";
20	(2) in subsection (b), by adding at the end the
21	following new paragraph:
22	"(4) MANAGEMENT COSTS.—The Secretary
23	may make payments to owners to cover not more
24	than 50 percent of the actual cost of undertaking
25	any ongoing or periodic management activities nec-

1	essary to maintain the functional values of up to
2	1,500,000 acres of wetland enrolled in the wetlands
3	reserve program.".
4	(3) by striking subsection (c) and inserting the
5	following new subsection:
6	"(c) Ranking of Offers.—
7	"(1) IN GENERAL.—When evaluating offers
8	from landowners, the Secretary may consider—
9	"(A) the conservation benefits of obtaining
10	an easement or other interest in the land;
11	"(B) the cost-effectiveness of each ease-
12	ment or other interest in eligible land, so as to
13	maximize the environmental benefits per dollar
14	expended; and
15	"(C) whether the landowner or another
16	person is offering to contribute financially to
17	the cost of the easement or other interest in the
18	land to leverage Federal funds.
19	"(2) Conservation Benefits.—In deter-
20	mining the acceptability of easement offers, the Sec-
21	retary may take into consideration—
22	"(A) in the case of wetlands—
23	"(i) the extent to which the purposes
24	of the easement program would be
25	achieved on the land;

1	"(ii) the productivity of the land; and
2	"(iii) the on-farm and off-farm envi-
- 3	ronmental threats if the land is used for
4	the production of agricultural commodities;
5	
	and
6	"(B) in the case of flood-plain lands—
7	"(i) the extent to which the purposes
8	of the easement program would be
9	achieved on the land;
10	"(ii) whether the land has been re-
11	peatedly flooded over the last ten years;
12	"(iii) the extent to which an easement
13	on the flood-plain land would contribute to
14	the restoration or management of land in
15	the area surrounding the flood-plain land;
16	and
17	"(iv) other factors, as determined by
18	the Secretary.".
19	(g) Wetlands Reserve Enhancement.—Section
20	1237D(c) of the Food Security Act of 1985 (16 U.S.C.
21	3837d(c)) is amended by striking paragraph (4) and in-
22	serting the following new paragraph:
23	"(4) Wetlands reserve enhancement.—
24	"(A) IN GENERAL.—The provisions of this
25	subchapter that limit payments to any person,

1	and section 1305(d) of the Agricultural Rec-
2	onciliation Act of 1987 (Public Law 100–203;
3	7 U.S.C. 1308 note), shall not apply to pay-
4	ments received by a State, political subdivision,
5	or agency thereof in connection with agree-
6	ments entered into under a special wetlands re-
7	serve enhancement program carried out by that
8	entity that has been approved by the Secretary.
9	"(B) Agreements.—The Secretary may
10	enter into agreements with States (including
11	political subdivisions and agencies of States) re-
12	garding payments described in subparagraph
13	(A) that the Secretary determines will advance
14	the purposes of this subchapter.".
15	(h) AUTHORIZATION.—The Food Security Act of
16	1985 is amended by inserting after section $1237F$ (16
17	U.S.C. 3837f) the following new section:
18	"SEC. 1237G. PERIOD OF AUTHORIZATION.
19	"This subchapter is authorized to be carried out for
20	the 2008 through 2012 fiscal years.".
21	SEC. 2103. CONSERVATION SECURITY PROGRAM.
22	(a) Establishment of New Conservation Secu-
23	RITY PROGRAM THROUGH 2017.—Subchapter A of chap-
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24 ter 2 of subtitle D of title XII of the Food Security Act

of 1985 (16 U.S.C. 3838 et seq.) is amended to read as
 follows:

3 "Subchapter A—Conservation Security 4 Program

5 "SEC. 1238. DEFINITIONS.

6 "In this subchapter:

7 "(1) BEGINNING FARMER OR RANCHER.—The
8 term 'beginning farmer or rancher' has the meaning
9 given the term under section 343(a) of the Consoli10 dated Farm and Rural Development Act (7 U.S.C.
11 1991(a)).

12 "(2) CONSERVATION PLAN.—The term 'con13 servation plan' means a plan that—

14 "(A) identifies resources of concern, inven15 tories resources, and establishes benchmark
16 data and stewardship enhancement objectives;

17 "(B) describes improvements that will en18 able the producer to meet and exceed the stew19 ardship threshold for all applicable resources of
20 concern; and

21 "(C) contains a schedule and evaluation
22 plan for the planning, installing, maintaining,
23 and managing new conservation practices, ac24 tivities, and management measures and main25 taining, managing, and improving existing con-

	19
1	servation practices, activities, and management
2	measures.
3	"(3) CONSERVATION PRACTICE.—The term
4	'conservation practice' means a site-specific land
5	management practice or activity, or a supporting
6	structural practice, that is part of an implemented
7	management system designed to address a priority
8	resource of concern.
9	"(4) Conservation security contract.—
10	The term 'conservation security contract' means a
11	contract entered into under this subchapter.
12	"(5) Conservation Security Program.—The
13	term 'conservation security program' means the pro-
14	gram established under section 1238A(a).
15	"(6) MANAGEMENT INTENSITY.— The term
16	'management intensity' means the degree, scope,
17	and comprehensiveness of conservation practices, ac-
18	tivities, or management measures taken by a pro-
19	ducer to address a priority resource of concern to a
20	level exceeding the stewardship threshold.
21	"(7) Nondegradation standard.—The term
22	'nondegradation standard' means the level of natural
23	resource conservation and environmental manage-

ment measures required to improve and sustain the

status and condition of natural and environmental

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1	resources to a level that, as determined by the Sec-
2	retary—
3	"(A) prevents impairment of soil, water,
4	and air quality and the quality of fish and wild-
5	life habitat; and
6	"(B) sustains the long-term productivity of
7	agricultural resources.
8	"(8) PRIORITY RESOURCE OF CONCERN.—The
9	term 'priority resource of concern' means a resource
10	of concern identified by the Secretary, consistent
11	with the requirements of section 1238C(a), that
12	must be addressed by participants in the conserva-
13	tion security program in a particular watershed or
14	other area within that State.
15	"(9) PRODUCER.—The term 'producer' means
16	an owner, operator, landlord, tenant, or share-
17	cropper that—
18	"(A) shares in the risk of producing any
19	crop or livestock; and
20	"(B) is entitled to share in the crop or
21	livestock available for marketing from a farm
22	(or would have shared had the crop or livestock
23	been produced).
24	"(10) RESOURCE-SPECIFIC INDEX.—The term
25	'resource-specific index' means an index of manage-

ment intensity or other similar index, developed by
the Secretary, that estimates the expected level of
resource and environmental outcomes of the conservation practices, activities, and management
measures employed by a producer.

6 "(11) SOCIALLY DISADVANTAGED FARMER OR
7 RANCHER.—The term 'socially disadvantaged farmer
8 or rancher' has the meaning given the term under
9 section 355(e) of the Consolidated Farm and Rural
10 Development Act (7 U.S.C. 2003(e)).

11 ((12))STRUCTURAL PRACTICE.—The term 'structural practice' means a site-specific, 12 con-13 structed conservation practice that is integrated with 14 and essential to the successful implementation of the 15 system of land management practices and activities 16 that are the basis of a conservation security con-17 tract.

18 "SEC. 1238A. CONSERVATION SECURITY PROGRAM.

"(a) ESTABLISHMENT AND PURPOSE.—The Secretary shall establish, and for each of fiscal years 2012
through 2017, carry out a conservation security program
to assist producers in improving environmental quality by
addressing priority resources of concern in a comprehensive manner.

"(b) ELIGIBLE PRODUCERS.—To be eligible to par ticipate in the conservation security program, a producer
 shall—
 "(1) demonstrate that the producer is address ing at least one priority resource of concern to a
 minimum level of management intensity determined
 by the Secretary; and

8 "(2) develop and submit to the Secretary, and
9 obtain the approval of the Secretary of, a conserva10 tion offer.

11 "(c) ELIGIBLE LAND.—

12 "(1) IN GENERAL.—Except as provided in para-13 graph (2), private agricultural land (including crop-14 land, grassland, prairie land, improved pasture land, 15 forest land and rangeland) and land under the juris-16 diction of an Indian tribe (as defined by the Sec-17 retary) shall be eligible for enrollment in the con-18 servation security program.

19 "(2) EXCLUSIONS.—

20 "(A) LAND ENROLLED IN OTHER CON21 SERVATION PROGRAMS.—Except as provided in
22 subsection (f)(3)(A), the following lands are not
23 eligible for enrollment in the conservation secu24 rity program:

1	"(i) Lands enrolled in the conserva-
2	tion reserve program under subchapter B
3	of chapter 1.
4	"(ii) Land enrolled in the wetlands re-
5	serve program established under sub-
6	chapter C of chapter 1.
7	"(iii) Land enrolled in the grassland
8	reserve program established under sub-
9	chapter C of chapter 2.
10	"(B) CONVERSION TO CROPLAND.—Land
11	used for crop production after October 1, 2011,
12	that had not been planted, considered to be
13	planted, or devoted to crop production for at
14	least 4 of the 6 years preceding that date (ex-
15	cept for land enrolled in the conservation re-
16	serve program or that has been maintained
17	using long-term crop rotation practices, as de-
18	termined by the Secretary) shall not be the
19	basis for any payment under the conservation
20	security program.
21	"(d) ECONOMIC USES.—With respect to eligible land
22	covered by a conservation security contract, the Secretary
23	shall permit economic uses of the land that—
24	"(1) maintain the agricultural nature of the
25	land; and

1	((2)) are consistent with the conservation pur-
2	poses of the conservation security program.
3	"(e) Conservation Security Contracts.—
4	"(1) IN GENERAL.—After a determination that
5	a producer is eligible for the conservation security
6	program, and on approval of the conservation plan
7	of the producer, the Secretary shall enter into a con-
8	servation security contract with the producer to en-
9	roll the land to be covered by the contract in the
10	conservation security program.
11	"(2) TERM.—A conservation security contract
12	shall be for a term of 5 years.
13	"(3) AGRICULTURAL OPERATION.—All the acres
14	of the agricultural operation that are under the pro-
15	ducer's effective control at the time the producer en-
16	ters into a conservation security contract shall be
17	covered by the conservation security contract.
18	"(4) Provisions.—The conservation security
19	contract of a producer shall—
20	"(A) include a conservation plan approved
21	by the Secretary;
22	"(B) describe the land covered by the con-
23	servation security contract;
24	"(C) state the amount of the stewardship
25	enhancement payment the Secretary agrees to

1	make to the producer each year of the conserva-
2	tion security contract under section 1238C(c);
3	"(D) describe the new conservation prac-
4	tices and activities the producer agrees to im-
5	plement during the term of the conservation se-
6	curity contract in order to increase the level of
7	management intensity with which the producer
8	addresses a priority resource of concern or pri-
9	ority resources of concern, as designated by the
10	Secretary under section $1238C(a)(1)$; and
11	"(E) include such other provisions as the
12	Secretary determines necessary to ensure the
13	conservation purposes of the conservation secu-
14	rity program are met.
15	"(5) ON-FARM RESEARCH AND DEMONSTRA-
16	TION OR PILOT TESTING.—The Secretary may ap-
17	prove a conservation security contract that in-
18	cludes—
19	"(A) on-farm conservation research and
20	demonstration activities; and
21	"(B) pilot testing of new technologies or
22	innovative conservation practices.
23	"(f) Modification.—The Secretary may allow a
24	producer to modify a conservation security contract before
25	the expiration of the contract if the Secretary determines

that failure to modify the contract would significantly
 interfere with achieving the purposes of the conservation
 security program.

4 "(g) Contract Termination.—

5 "(1) VOLUNTARY TERMINATION.—A producer
6 may terminate a conservation security contract if the
7 Secretary determines that termination of the con8 tract would not defeat the purposes of the conserva9 tion plan of the producer.

10 "(2) INVOLUNTARY TERMINATION.—The Sec11 retary may terminate a contract under this sub12 chapter if the Secretary determines that the pro13 ducer violated the contract.

14 "(3) TRANSFER OR CHANGE OF INTEREST IN
15 LAND SUBJECT TO CONSERVATION SECURITY CON16 TRACT.—

17 "(A) IN GENERAL.—Except as provided in
18 subparagraph (B), the transfer, or change in
19 the interest, of a producer in land subject to a
20 conservation security contract shall result in the
21 termination of the conservation security con22 tract.

23 "(B) TRANSFER OF DUTIES AND
24 RIGHTS.—Subparagraph (A) shall not apply if,
25 within a reasonable period of time after the

1 date of the transfer or change in the interest in 2 land, the transferee of the land provides written 3 notice to the Secretary that all duties and 4 rights under the conservation security contract 5 have been transferred to, and assumed by, the 6 transferee. The Secretary shall specify what will 7 be considered a reasonable period of time for 8 purposes of providing the notification required 9 by this subparagraph.

"(h) CONTRACT RENEWAL.—At the end of an initial
conservation security contract of a producer, the Secretary
may allow the producer to renew the contract for one additional five-year period if the producer—

14 "(1) demonstrates compliance with the terms of 15 the existing contract, including a demonstration that 16 the producer has complied with the schedule for the 17 implementation of new practices and activities in-18 cluded in the conservation security contract and has 19 met the stated goals for increasing the level of man-20 agement intensity with which the producer is ad-21 dressing the designated priority resource of concern 22 or priority resources of concern; and

23 "(2) agrees to implement and maintain such
24 additional new conservation practices and activities
25 as the Secretary determines necessary and feasible

to achieve higher levels of management intensity
 with which the producer addresses the designated
 priority resource of concern or priority resources of
 concern.

5 "(i) EFFECT OF NONCOMPLIANCE DUE TO CIR-CUMSTANCES BEYOND THE CONTROL OF PRODUCERS.— 6 7 The Secretary shall include in the conservation security 8 contract a provision to ensure that a producer shall not 9 be considered in violation of a conservation security con-10 tract for failure to comply with the conservation security contract due to circumstances beyond the control of the 11 12 producer, including a disaster or related condition, as de-13 termined by the Secretary.

14 "(j) EVALUATION OF OFFERS.—In evaluating appli15 cations by producers to enroll in the conservation security
16 program, the Secretary shall—

17 "(1) consider the extent to which the antici18 pated environmental benefits from the contract are
19 provided at least cost relative to other similar activi20 ties;

"(2) consider the extent to which the producer
proposes to increase the level of performance on applicable resource-specific indices or the level of management intensity with which the producer addresses
the designated priority resources of concern;

1 "(3) the extent to which the environmental ben-2 efits expected to result from the contract com-3 plements other conservation efforts in the watershed 4 or region; and "(4) develop any additional criteria for evalu-5 6 ating applications that the Secretary determines are 7 necessary to ensure that national. State, and local 8 conservation priorities are effectively addressed. 9 "SEC. 1238B. DUTIES OF PRODUCERS. 10 "(a) AGREEMENT BY PRODUCER.—Under a con-11 servation security contract, a producer shall agree— 12 "(1) to implement during the term of the conservation security contract the conservation plan ap-13 14 proved by the Secretary: 15 ((2)) to maintain, and make available to the 16 Secretary at such times as the Secretary may re-17 quest, appropriate records showing the effective and 18 timely implementation of the conservation security 19 contract; and 20 "(3) not to engage in any activity during the 21 term of the conservation security contract that 22 would interfere with the purposes of the conservation 23 security program.

1	"(b) Effect of Violation.—On the violation of a
2	term or condition of the conservation security contract of
3	a producer—
4	"(1) if the Secretary determines that the viola-
5	tion warrants termination of the conservation secu-
6	rity contract, the producer shall—
7	"(A) forfeit all rights to receive payments
8	under the conservation security contract; and
9	"(B) refund to the Secretary all or a por-
10	tion of the payments received by the producer
11	under the conservation security contract, in-
12	cluding any advance payments and interest on
13	the payments, as determined by the Secretary;
14	"(2) if the Secretary determines that the viola-
15	tion does not warrant termination of the conserva-
16	tion security contract, the producer shall refund to
17	the Secretary, or accept adjustments to, the pay-
18	ments provided to the producer, as the Secretary de-
19	termines to be appropriate; or
20	"(3) some combination of the remedies author-
21	ized by paragraphs (1) and (2) , as determined by
22	the Secretary to be appropriate.
23	"SEC. 1238C. DUTIES OF THE SECRETARY.
24	"(a) Identification of Priority Resources of
25	Concern.—

"(1) Identification at state level.—The
Secretary shall ensure that the identification of pri-
ority resources of concern is made at the State level
so that each priority resource of concern—
"(A) represents a significant environmental
concern, including watershed management or
wildlife habitat, in the State to which agricul-
tural activities are contributing; and
"(B) is likely to be addressed successfully
through the implementation of conservation
practices and other activities by producers.
"(2) LIMITATION.—The Secretary shall identify
not more than 5 resources of concern as priority re-
sources of concern in a particular watershed or other
appropriate region or area within a State.
"(3) Advice and consultation.—The Sec-
retary, with the advice of the appropriate State tech-
nical committee and in consultation with Federal
and State agencies with expertise related to natural
resources and environmental quality, shall designate,
to the extent practicable, each priority resource of
concern identified under paragraph (1) as either a
primary, secondary, or tertiary resource of concern.
"(b) Development of Resource-Specific Indi-
CES.—The Secretary shall develop resource-specific indi-

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ces to measure the management intensity with which spe-

2 cific resources of concern are addressed, for purposes of determining eligibility and payments for participants in 3 4 the conservation security program. 5 "(c) Stewardship Enhancement Payment.— "(1) TIMING OF PAYMENT.—The Secretary 6 7 shall make a payment under a conservation security contract as soon as practicable after October 1 of 8 9 each fiscal year. 10 "(2) EXCLUSIONS.—A payment to a producer 11 under this subsection shall not be provided for— 12 "(A) the design, construction, or mainte-13 nance of animal waste storage or treatment fa-14 cilities or associated waste transport or transfer 15 devices for animal feeding operations; or "(B) conservation practices and activities 16 17 for which there is no net cost or loss of income 18 to the producer, as determined by the Sec-19 retary. "(3) AVAILABILITY OF PAYMENTS.—The Sec-20 21 retary shall provide a stewardship enhancement pay-22 ment to a producer under a conservation security 23 contract to compensate the producer for— "(A) ongoing implementation and mainte-24 25 nance of conservation practices, activities, and

1	management measures in place on the pro-
2	ducers operation at the time the conservation
3	security contract is accepted; and
4	"(B) installation and adoption of new con-
5	servation practices, activities, and management
6	measures or improvements to conservation prac-
7	tices, activities, and management measures in
8	place on the producer's operation at the time
9	the conservation security contract is accepted.
10	"(4) PAYMENT AMOUNT.—The amount of the
11	stewardship enhancement payment shall be deter-
12	mined by the Secretary and shall be based, to the
13	maximum extent feasible, on—
14	"(A) a portion of the actual costs incurred
15	by the producer; and
16	"(B) the income forgone by the producer;
17	and
18	"(C) resource-specific indices, in any case
19	in which such indices have been developed and
20	implemented
21	"(d) PAYMENT LIMITATIONS.—An individual or enti-
22	ty may not receive, directly or indirectly, payments under
23	a conservation security contract that, in the aggregate, ex-
24	ceed $$150,000$ for the 5-year term of the conservation se-
25	curity contract, excluding funding arrangements with fed-

erally recognized Indian Tribes or Alaska Native Corpora tions.

3 "(e) REGULATIONS.—The Secretary shall promulgate
4 regulations that—

5 "(1) provide for adequate safeguards to protect
6 the interests of tenants and sharecroppers, including
7 provision for sharing payments, on a fair and equi8 table basis; and

9 "(2) prescribe such other rules as the Secretary 10 determines to be necessary to ensure a fair and rea-11 sonable application of the limitations established 12 under subsection (d).

13 "(f) ALLOCATION TO STATES.—When making alloca-14 tions to States of funds made available to carry out the 15 conservation security program, the Secretary shall give significant consideration to the extent and magnitude of 16 17 the environmental needs associated with agricultural pro-18 duction in each State and the degree to which implementation of the conservation security program in the State is, 19 or will be, effective in helping producers address these 20 21 needs.

"(g) TECHNICAL ASSISTANCE.—For each of fiscal
years 2008 through 2017, the Secretary shall provide appropriate technical assistance to producers for the development and implementation of conservation security con-

tracts, in an amount not to exceed 15 percent of the
 amounts expended for the fiscal year.

3 "(h) DATA.—The Secretary shall maintain conserva4 tion security program contract and payment data in a
5 manner that provides detailed and segmented data that
6 allows for quantification of the amount of payments made
7 to producers for—

8 "(1) the maintenance of conservation practices, 9 activities, and management measures in place on the 10 producer's operation at the time the conservation se-11 curity offer is accepted by the Secretary;

12 "(2) the installation and adoption of new con-13 activities, and management servation practices. 14 measures and the improvements to conservation 15 practices, activities, and management measures in 16 place on the producer's operation at the time the 17 conservation security offer is accepted by the Sec-18 retary;

19 "(3) participation in research, demonstration,20 and pilot projects; and

21 "(4) the development and periodic assessment
22 and evaluation of comprehensive conservation
23 plans.".

24 (b) EFFECT ON EXISTING CONSERVATION SECURITY25 CONTRACTS.—Subchapter A of chapter 2 of subtitle D of

title XII of the Food Security Act of 1985 (16 U.S.C. 1 3838 et seq.), as in effect on the day before the date of 2 3 the enactment of this Act, shall continue to apply to con-4 servation security contracts entered into before October 1, 5 2007. The Secretary of Agriculture may continue to make payments under such subchapter, as so in effect, with re-6 7 spect to such a conservation security contracts during the 8 term of the contract.

9 (c) PROHIBITION ON NEW CONTRACTS.—A conserva-10 tion security contract may not be entered into or renewed 11 under subchapter A of chapter 2 of subtitle D of title XII 12 of the Food Security Act of 1985 (16 U.S.C. 3838 et seq.), 13 as in effect on the day before the date of the enactment 14 of this Act, after September 30, 2007.

15 SEC. 2104. GRASSLAND RESERVE PROGRAM.

(a) ENROLLMENT PRIORITY.—Subsection (b) of section 1238N of the Food Security Act of 1985 (16 U.S.C.
3838n) is amended by striking paragraph (3) and inserting the following new paragraph:

20 "(3) PRIORITY FOR LONG-TERM AGREEMENTS
21 AND EASEMENTS.—Of the total number of acres en22 rolled in the program at any one time through the
23 methods described in paragraph (2)(A), the Sec24 retary shall ensure that at least 60 percent of the
25 acres were enrolled through the use of 30-year rental
agreements and permanent and long-term easements
 described in clause (ii) of such paragraph.".

3 (b) ENROLLMENT OF CONSERVATION RESERVE PRO4 GRAM LAND.—Section 1238N of the Food Security Act
5 of 1985 (16 U.S.C. 3838n) is amended by adding at the
6 end the following new subsections:

7 "(d) ENROLLMENT OF CONSERVATION RESERVE8 PROGRAM LAND.—

9 "(1) ENROLLMENT AUTHORIZED.—Subject to 10 the eligibility requirements of subsection (c) and all 11 other requirements of this subchapter, land enrolled 12 in the conservation reserve program may be enrolled 13 in the grassland reserve program if the Secretary de-14 termines that the land is of high ecological value and 15 under significant threat of conversion to other uses. "(2) MAXIMUM ENROLLMENT.—The number of 16 17 acres of conservation reserve program land enrolled

under this subsection in a calendar year shall not exceed 10 percent of the total number of acres enrolled
in the grassland reserve program in that calendar
year.

"(3) PROHIBITION ON DUPLICATION OF PAYMENTS.—Land enrolled in the program under this
subsection shall no longer be eligible for payments
under the conservation reserve program.

"(e) METHOD FOR DETERMINATION OF FAIR MAR KET VALUE.—The Secretary shall determine the fair mar ket value of land to be enrolled in program based on the
 option specified in paragraph (1), (2), (3), or (4) that re sults in the lowest amount of compensation to be paid by
 the Secretary:

7 "(1) A percentage of the fair market value
8 based on the Uniform Standards for Professional
9 Appraisals Procedures, as determined by the Sec10 retary.

11 "(2) A percentage of the market value deter-12 mined by an area wide market survey.

13 "(3) A geographic cap.

"(4) The offer made by the owner of the land.".
(c) GRASSLAND RESERVE ENHANCEMENT.—Section
1238N of the Food Security Act of 1985 (16 U.S.C.
3838n) is amended by inserting after subsection (d), as
added by subsection (b), the following new subsection:

"(e) GRASSLAND RESERVE ENHANCEMENT.—The
Secretary may enter into such agreements with States, including political subdivisions and agencies of States, that
the Secretary determines will advance the purposes of the
grassland reserve program. Section 1305(d) of the Agricultural Reconciliation Act of 1987 (Public Law 100-203;
7 U.S.C. 1308 note) shall not apply to payments received

by a State or political subdivision or agency thereof in con nection with such an agreement.".

3 (d) USE OF PRIVATE ORGANIZATIONS OR STATE
4 AGENCIES.—Section 1238Q of the Food Security Act of
5 1985 (16 U.S.C. 3838q) is amended—

6 (1) by striking subsection (a) and inserting the7 following new subsection:

8 "(a) AUTHORITY TO USE PRIVATE ORGANIZATIONS 9 OR STATES.—The Secretary shall permit a private con-10 servation or land trust organization (referred to in this 11 section as a 'private organization') or a State agency to 12 own, write, and enforce an easement under this sub-13 chapter, in lieu of the Secretary, subject to the right of the Secretary to conduct periodic inspections and enforce 14 15 the easement, if—

"(1) the Secretary determines that granting the
permission will promote protection of grassland, land
that contains forbs, and shrubland;

19 "(2) the owner authorizes the private organiza20 tion or State agency to hold and enforce the ease21 ment; and

"(3) the private organization or State agency
agrees to assume the costs incurred in administering
and enforcing the easement, including the costs of
restoration or rehabilitation of the land as specified

1	by the owner and the private organization or State
2	agency.";
3	(2) in subsection (b), by striking "hold" and in-
4	serting "own, write,"; and
5	(3) in subsection (c), by striking "hold" and in-
6	serting "own, write,".
7	SEC. 2105. ENVIRONMENTAL QUALITY INCENTIVES PRO-
8	GRAM.
9	(a) PURPOSES.—Section 1240 of the Food Security
10	Act of 1985 (16 U.S.C. 3839aa) is amended—
11	(1) in the matter preceding paragraph (1) , by
12	inserting ", forest management, organic transition,"
13	after "agricultural production"; and
14	(2) by striking paragraphs (3) and (4) and in-
15	serting the following new paragraphs:
16	"(3) providing flexible assistance to producers
17	to install and maintain conservation practices that,
18	while sustaining production of food and fiber—
19	"(A) enhance soil, water, and related nat-
20	ural resources, including grazing land,
21	forestland, wetland, and wildlife; and
22	"(B) conserve energy;
23	"(4) assisting producers to make beneficial, cost
24	effective changes to cropping systems, grazing man-
25	agement, energy use, forest management, nutrient

1	management associated with livestock, pest or irriga-
2	tion management, or other practices on agricultural
3	and forested land; and".
4	(b) Definitions.—Section 1240A of the Food Secu-
5	rity Act of 1985 (16 U.S.C. 3839aa–1) is amended—
6	(1) by striking paragraph (3) and inserting the
7	following new paragraph:
8	"(3) LAND MANAGEMENT PRACTICE.—
9	"(A) IN GENERAL.—The term 'land man-
10	agement practice' means a site-specific nutrient
11	or manure management, integrated pest man-
12	agement, irrigation management, tillage or res-
13	idue management, grazing management, air
14	quality management, forest management, sil-
15	vicultural practice, or other land management
16	practice carried out on eligible land that the
17	Secretary determines is needed to protect from
18	degradation, in the most cost-effective manner,
19	water, soil, or related resources.
20	"(B) Forest management practices.—
21	For purposes of subparagraph (A), forest man-
22	agement practices may include activities that
23	the Secretary determines are needed to—
24	"(i) improve water quality;
25	"(ii) increase in-stream flows;

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"(iii) restore forest biodiversity; or
"(iv) control invasive species.
"(C) Coordinated implementation.—A
land management practice may involve multiple
landowners implementing eligible conservation
activities in a coordinated fashion.";
(2) in paragraph (4), by inserting "alpacas,
bison," after "sheep,";
(3) by redesignating paragraph (6) as para-
graph (7); and
(4) by inserting after paragraph (5) the fol-
lowing new paragraph:
"(6) Socially disadvantaged farmer or
RANCHER.—The term 'socially disadvantaged farmer
or rancher' has the meaning given the term under
section 355(e) of the Consolidated Farm and Rural
Development Act (7 U.S.C. 2003(e)).".
(c) ELIGIBLE PRACTICES.—Section 1240B(a) of the
Food Security Act of 1985 (16 U.S.C. 3839aa-2(a)) is
amended—
(1) in paragraph (1) , by striking "2010" and
inserting "2012"; and
(2) in paragraph (2) —

1	(A) in subparagraph (A), by inserting "or
2	receives organic certification" after "chapter";
3	and
4	(B) by striking subparagraph (B) and in-
5	serting the following new subparagraph:
6	"(B) a producer that implements a land
7	management practice, receives technical services
8	from an approved third-party provider, develops
9	a comprehensive nutrient management plan, or
10	implements energy efficiency improvements or
11	renewable energy systems, in accordance with
12	this chapter shall be eligible to receive incentive
13	payments.".
14	(d) Beginning Farmers or Ranchers and So-
15	CIALLY DISADVANTAGED FARMERS OR RANCHERS.—Sec-
16	tion $1240B(d)(2)$ of the Food Security Act of 1985 (16
17	U.S.C. 3839aa–2(d)(2)) is amended by striking subpara-

19 "(A) INCREASED COST-SHARE FOR CER20 TAIN PRODUCERS.—The Secretary may increase
21 the amount provided under paragraph (1) to a
22 producer that is a beginning farmer or rancher,
23 socially disadvantaged farmer or rancher, or
24 limited resource farmer or rancher to 90 per-

graph (A) and inserting the following new subparagraph:

1	cent of the cost of the practice, as determined	
2	by the Secretary.".	
3	(e) Incentive Payments.—Section 1240B(e) of the	
4	Food Security Act of 1985 (16 U.S.C. 3839aa–2(e)) is	
5	amended—	
6	(1) by striking paragraph (1) and inserting the	
7	7 following new paragraph:	
8	"(1) AVAILABILITY OF INCENTIVE PAY-	
9	MENTS.—The Secretary shall make incentive pay-	
10	ments in an amount and at a rate determined by the	
11	Secretary to be necessary to encourage a producer—	
12	"(A) to perform 1 or more land manage-	
13	ment practices;	
14	"(B) to receive technical services from an	
15	approved third-party provider;	
16	"(C) to develop a comprehensive nutrient	
17	management plan; or	
18	"(D) to implement energy efficiency im-	
19	provements or renewable energy systems."; and	
20	(2) in paragraph (2), by inserting "pollinator	
21	habitat," after "invasive species,".	
22	(f) Allocation of Funding.—Section 1240B(g) of	
23	the Food Security Act of 1985 (16 U.S.C. 3839aa–2(g))	
24	is amended—	

1	(1) by striking "For each" and inserting the
2	following:
3	"(1) Allocation for livestock production
4	PRACTICES.—For each";
5	(2) in such paragraph, as so designated, by
6	striking "2007" and inserting "2012"; and
7	(3) by adding at the end the following new
8	paragraph:
9	"(2) Allocation for certain producers.—
10	For each of fiscal years 2007 through 2012, of the
11	funds made available for cost-share payments and
12	incentive payments under this chapter, the Secretary
13	shall reserve, for a period of not less than 90 days
14	after the date on which the funds are made available
15	for the fiscal year—
16	"(A) not less than 5 percent for beginning
17	farmers and ranchers; and
18	"(B) not less than 5 percent of funds for
19	socially disadvantaged farmers and ranchers
20	and limited resource farmers and ranchers.".
21	(g) Eligibility of Market Agencies and Cus-
22	TOM FEEDING BUSINESSES.—Section 1240B of the Food
23	Security Act of 1985 (16 U.S.C. 3839aa–2) is amended
24	by adding at the end the following new subsection:

1 "(i) ELIGIBILITY OF MARKET AGENCIES AND CUS-2 TOM FEEDING BUSINESSES FOR ASSISTANCE.—A market agency (as defined in section 301(c) of the Packers and 3 4 Stockyards Act, 1921 (7 U.S.C. 201(c))) or custom feed-5 ing business may receive technical assistance, cost-share payments, or incentive payments under the program. Any 6 7 reference to 'producer' in this chapter shall be deemed to 8 include a market agency or custom feeding business.".

9 (h) EVALUATION OF APPLICATIONS FOR COST10 SHARE PAYMENTS AND INCENTIVE PAYMENTS.—Section
11 1240C of the Food Security Act of 1985 (16 U.S.C.
12 3839aa–3) is amended to read as follows:

13 "SEC. 1240C. EVALUATION OF APPLICATIONS FOR COST14 SHARE PAYMENTS AND INCENTIVE PAY15 MENTS.

16 "(a) PRIORITIES AND GROUPING OF APPLICA17 TIONS.—In evaluating applications for cost-share pay18 ments and incentive payments, the Secretary shall—

"(1) prioritize applications based on their overall level of cost-effectiveness to ensure that the conservation practices and approaches proposed are the
most efficient means of achieving the anticipated environmental benefits of the project;

1	((2) prioritize applications based on how effec-
2	tively and comprehensively the project addresses the
3	designated resource concern or resource concerns;
4	"(3) prioritize applications that best fulfill the
5	purpose of the environmental quality incentives pro-
6	gram specified in section $1240(1)$;
7	"(4) develop criteria for evaluating applications
8	that will ensure that national, State, and local con-
9	servation priorities are effectively addressed; and
10	"(5) to the greatest extent practicable, group
11	applications of similar crop or livestock operations
12	for evaluation purposes or otherwise evaluate appli-
13	cations relative to other applications for similar
14	farming operations.
15	"(b) EVALUATION PROCESS.—The Secretary shall
16	ensure that the evaluation process is as streamlined and
17	efficient as practicable in the case of applications that—
18	((1) involve operations with substantial and
19	sound environmental management systems; and
20	"(2) seek a single practice or a limited number
21	of practices to further improve the environmental
22	performance of that system.".
23	(i) DUTIES OF PRODUCERS.—Section 1240D(2) of
24	the Food Security Act of 1985 (16 U.S.C. $3839aa-4(2)$)

is amended by striking "or ranch" and inserting ", ranch,
 or forestland".

3 (j) PROGRAM PLAN.—Section 1240E of the Food Se4 curity Act of 1985 (16 U.S.C. 3839aa–5) is amended by
5 striking subsections (a) and (b) and inserting the following
6 new subsections:

7 "(a) PLAN OF OPERATIONS.—To be eligible to re8 ceive cost-share payments or incentive payments under the
9 program, a producer shall submit to the Secretary for ap10 proval a plan of operations that—

11 "(1) specifies practices covered under the pro-12 gram;

"(2) includes such terms and conditions as the
Secretary considers necessary to carry out the program, including a description of the purposes to be
met by the implementation of the plan;

"(3) in the case of a confined livestock feeding
operation, provides for development and implementation of a comprehensive nutrient management plan,
if applicable; and

21 "(4) in the case of forestland, is consistent with 22 the provisions of a forest management plan meeting 23 with the approval of the Secretary, which may in-24 clude a forest stewardship plan, as specified in sec-25 tion 5 of the Cooperative Forestry Assistance Act of

1 1978 (16 U.S.C. 2103a), other practice plan ap-2 proved by the State forester, or other plan deter-3 mined appropriate by the Secretary. 4 "(b) AVOIDANCE OF DUPLICATION.—The Secretary 5 shall— 6 "(1) consider a permit acquired under a water 7 or air quality regulatory program as the equivalent 8 of a plan of operations under subsection (a); and 9 "(2) to the maximum extent practicable, elimi-10 nate duplication of planning activities under the pro-11 gram under this chapter and comparable conserva-12 tion programs.". 13 (k) DUTIES OF THE SECRETARY.—Section 1240F of 14 the Food Security Act of 1985 (16 U.S.C. 3839aa–6) is 15 amended-(1) by striking "To the extent" and inserting 16 17 "(a) PROVISION OF ASSISTANCE.—To the extent"; 18 and 19 (2) by adding at the end the following new sub-20 section: 21 "(b) WATER SAVINGS.—In the case of a practice pri-22 marily intended to conserve water, the Secretary may pro-23 vide assistance to a producer under this section only if 24 the Secretary determines that—

1 "(1) the practice results in a minimum reduc-2 tion, as determined by the Secretary, in the total 3 consumptive use of ground water or surface water 4 resources affected by the practice; "(2) any saved water remains in the source for 5 6 the useful life of the practice; and 7 "(3) the practice will not result, directly or indi-8 rectly, in an increase in the consumptive use of 9 water in the agriculture operation of the producer.". 10 (I) CONSERVATION INNOVATION GRANTS.—Section 11 1240H of the Food Security Act of 1985 (16 U.S.C. 12 3839aa–8) is amended to read as follows: 13 "SEC. 1240H. CONSERVATION INNOVATION GRANTS. 14 "(a) COMPETITIVE GRANTS.—The Secretary shall 15 pay the cost of competitive grants that are intended to stimulate innovative approaches to leveraging Federal in-16 vestment in environmental enhancement and protection, in 17 18 conjunction with agricultural production or forest resource

19 management, through the program.

"(b) USE.—The Secretary may provide grants under
this section to governmental and non-governmental organizations and persons, on a competitive basis, to carry out
projects that—

24 "(1) involve producers that are eligible for pay25 ments or technical assistance under the program;

"(2) leverage funds made available to carry out
 the program under this chapter with matching funds
 provided by State and local governments and private
 organizations to promote environmental enhance ment and protection in conjunction with agricultural
 production;

7 "(3) ensure efficient and effective transfer of
8 innovative technologies and approaches dem9 onstrated through projects that receive funding
10 under this section; and

"(4) provide environmental and resource conservation benefits through increased participation by
producers of specialty crops.

14 "(c) PILOT PROGRAM FOR COMPREHENSIVE CON-15 SERVATION PLANNING.—

"(1) PILOT PROGRAM REQUIRED.—The Secretary shall establish a pilot program to undertake
comprehensive conservation planning to assist producers before they submit an application for assistance under any of the conservation programs authorized by this subtitle.

"(2) CONSERVATION PLANNING ASSISTANCE.—
The Secretary shall undertake pilot projects under
the pilot program in the locations specified in paragraph (3) to assist producers by making a com-

1 prehensive assessment of the resource concerns, 2 needs, and alternative solutions for the producer's 3 entire operation, as determined by the Secretary, fol-4 lowing the procedures in the Natural Resources Con-5 servation Service conservation planning manual. The 6 assistance shall be provided by the Secretary directly 7 or through third party providers certified by the Sec-8 retary, and shall not be at the expense of the pro-9 ducer. The results of the comprehensive planning as-10 sistance shall be provided to the producer to enable 11 informed choices on the type of financial assistance 12 available under this subtitle that would most effec-13 tively address the resource needs of the operation 14 consistent with the environmental goals for the area 15 in which the operation is located.

"(3) PILOT PROJECTS.—Pilot projects in comprehensive conservation planning shall be undertaken in the Chesapeake Bay watershed, and shall
include the identification of hydrologic, soil, and
rural land use factors that are unique to the Delmarva Peninsula.

"(4) REPORT.—The Secretary shall conduct an
assessment of the effectiveness of the pilot program
and publish a report, available to the public, of the
results of the assessment. Such assessments shall be

undertaken in the second year and the fifth year of
 the pilot program.

3 "(d) FUNDING.—

4 "(1) AVAILABILITY OF FUNDS.—Of the funds
5 made available under section 1241(a)(6) for fiscal
6 years 2008 through 2012, the Secretary shall use
7 \$20,000,000 for each of fiscal years 2008 through
8 2012 to carry out this section.

9 "(2) OUTREACH FOR CERTAIN PRODUCERS.— 10 Of the funds made available under paragraph (1) for 11 a fiscal year, the Secretary shall use \$5,000,000 to 12 make grants to support effective outreach and inno-13 vative approaches for outreach and to serve organic 14 producers and producers of specialty crops (as de-15 fined in section 3 of the Specialty Crops Competi-16 tiveness Act of 2004 (Public Law 108–465; 7 U.S.C. 17 1621 note).

18 "(3) COMPREHENSIVE CONSERVATION PLAN19 NING.—Of the funds made available under para20 graph (1) for a fiscal year, the Secretary shall use
21 \$5,000,000 to carry out the comprehensive conserva22 tion planning pilot program under subsection (c).".
23 (m) PERFORMANCE INCENTIVES FOR STATES.—The
24 Food Security Act of 1985 is amended by inserting after

section 1240I (16 U.S.C. 3839aa-9) the following new
 section:

3 "SEC. 1240J. PERFORMANCE INCENTIVES FOR STATES.

4 "(a) HIGH LEVEL OF PERFORMANCE BONUS.—For
5 each of fiscal years 2008 through 2012, up to 10 per cent
6 of the funds made available under this chapter may be
7 reserved by the Secretary for bonus allocations to States
8 that demonstrate a high level of performance in imple9 menting the environmental quality incentives program.

"(b) SPECIAL CONSIDERATIONS.—In evaluating the
State performance under subsection (a), the Secretary
shall reward States that ensure that the program purposes
and priorities are effectively addressed as follows:

14 "(1) Demonstrating efficient program delivery.
15 "(2) Achieving timely conservation practice im16 plementation.

17 "(3) Achieving conservation and environmental18 outcomes.

19 "(4) Encouraging the use of cost-effective con-20 servation practices.

21 "(5) Involving multiple producers implementing
22 conservation activities in a coordinated way to meet
23 State or local regulatory requirements related to air
24 quality.

"(6) Achieving or promoting such other consid erations as determined by the Secretary.".

3 SEC. 2106. REGIONAL WATER ENHANCEMENT PROGRAM.

4 (a) PURPOSE AND GOALS.—The purpose of this sec-5 tion is to authorize a regional water enhancement program, within the environmental quality incentives pro-6 7 gram, to enhance performance-based, cost-effective con-8 servation carried out through cooperative agreements en-9 tered into by the Secretary of Agriculture with producers, 10 governmental entities, and Indian tribes. The goal of the program is to improve water quality or ground and surface 11 12 water quantity through coordinated program activities on 13 agricultural lands. The Secretary will develop goals and provide coordinated program assistance for water quality 14 15 or water quantity improvement projects.

(b) ESTABLISHMENT OF PROGRAM.—Section 1240I
of the Food Security Act of 1985 (16 U.S.C. 3839aa–9)
is amended to read as follows:

19 "SEC. 1240I. REGIONAL WATER ENHANCEMENT PROGRAM.

20 "(a) DEFINITIONS.—In this section:

21 "(1) REGIONAL WATER ENHANCEMENT ACTIVI22 TIES.—The term 'regional water enhancement activi23 ties' includes resource condition assessment and
24 modeling, water quality, water quantity or water
25 conservation plan development, management system

1	and environmental monitoring and evaluation, cost-
2	share of restoration or enhancement projects, incen-
3	tive payments for land management practices, ease-
4	ment purchases, conservation contracts with land-
5	owners, improved irrigation systems, water banking
6	and other forms of water transactions, groundwater
7	recharge and other conservation related activities
8	that the Secretary determines will help to achieve
9	the water quality or water quantity benefits on agri-
10	cultural lands identified in a partnership agreement.
11	"(2) Partnership agreement.—The term
12	'partnership agreement' means an agreement be-
13	tween the Secretary and a partner under subsection
14	(d).
15	"(3) PARTNER.—The term 'partner' means an
16	entity that enters into a partnership agreement with
17	the Secretary to carry out regional water enhance-
18	ment activities. The term includes—
19	"(A) an agricultural producer, agricultural
20	or silvicultural producer association, or other
21	group of such producers;
22	"(B) a State or unit of local government,
23	including an irrigation or water district; or
24	"(C) a federally recognized Indian tribe.
25	"(b) Establishment of Program.—

"(1) ESTABLISHMENT.—The Secretary shall es tablish a regional water enhancement program in ac cordance with this section to improve water quality
 or water quantity on a regional scale to benefit
 working agricultural land and other lands sur rounding agricultural land.

7 "(2) Identification of water quality and 8 WATER QUANTITY PRIORITY AREAS.—The Secretary 9 shall identify areas where protecting or improving 10 water quality, water quantity, or both is a priority. 11 In identifying these areas, the Secretary shall 12 prioritize the Chesapeake Bay, the Upper Mississippi 13 River basin, the Everglades, and the Klamath River 14 basin.

15 "(c) Selection of Partners.—

"(1) SOLICITATION OF PARTNERSHIP PROPOSALS.—Not later than 90 days after the date of
the enactment of [the 2007 Farm Bill], the Secretary shall invite prospective partners to submit
competitive grant proposals for regional water enhancement partnerships.

22 "(2) ELEMENTS.—To be eligible for consider23 ation for participation in the program, a proposal
24 submitted by a partner shall contain the following
25 elements:

1	"(A) Identification of the exact geographic
2	area for which the partnership is proposed,
3	which may be based on—
4	"(i) a watershed (or portion thereof);
5	"(ii) an irrigation, water, drainage
6	district, including service area; or
7	"(iii) some other geographic area with
8	characteristics making it suitable for land-
9	scape-wide program implementation, as
10	may be determined by the Secretary.
11	"(B) Identification of the water quality or
12	water quantity issues that are of concern in the
13	area.
14	"(C) A method for determining a baseline
15	assessment of water quality, water quantity,
16	and other resource conditions in the region.
17	"(D) A detailed description of the proposed
18	regional water enhancement activities to be un-
19	dertaken in the area, including an estimated
20	timeline and budget for each activity.
21	"(E) A description of the performance
22	measures to be used to gauge the effectiveness
23	of the regional water enhancement activities.

1	"(F) A description of other regional water
2	enhancement activities carried out by the Sec-
3	retary.
4	"(G) A description of regional water en-
5	hancement activities carried out by partners
6	through other means.
7	"(3) Selection of proposals.—The Sec-
8	retary shall award grants competitively, based on the
9	following criteria applied by the Secretary:
10	"(A) Proposals that will result in the inclu-
11	sion of the highest percentage of agricultural
12	lands and producers in the area.
13	"(B) Proposals that will result in the high-
14	est percentage of on-the-ground activities versus
15	administrative costs.
16	"(C) Proposals that will provide the great-
17	est contribution to sustaining or enhancing ag-
18	ricultural production in the area or rural eco-
19	nomic development.
20	"(D) Proposals that include performance
21	measures that will allow post-activity conditions
22	to be satisfactorily measured to gauge overall
23	effectiveness.
24	"(E) Proposals that will capture surface-
25	water runoff on farms through the construction,

1	improvement, or maintenance of irrigation
2	ponds.
3	"(F) Proposals that have the highest likeli-
4	hood of improving issues of concern for the area
5	through the participation of multiple interested
6	persons.
7	"(4) DURATION.—Grants under this subsection
8	shall be made on a multi-year basis, not to exceed
9	5 years total, except that the Secretary may termi-
10	nate a grant earlier if the performance measures are
11	not being met.
12	"(d) Partnership Agreements.—
13	"(1) GENERALLY.—Not later than 30 days
14	after the award of a grant to a partner under sub-
15	section (c), the Secretary shall enter into a partner-
16	ship agreement with the grant recipient. At a min-
17	imum, the agreement shall contain—
18	"(A) a description of the respective duties
19	and responsibilities of the Secretary and the
20	partner in carrying out regional water enhance-
21	ment activities; and
22	"(B) the criteria that the Secretary will
23	use to measure the overall effectiveness of the
24	regional water enhancement activities funded by
25	the grant in improving the water quality or

1	quantity conditions of the region relative to the
2	performance measures in the grant proposal.
3	((9) Acception of contractions The

3 "(2) ACCEPTANCE OF CONTRIBUTIONS.—The
4 Secretary may accept and use contributions of non5 Federal funds to administer the program under this
6 section.

7 "(3) WAIVER AUTHORITY.—The Secretary shall
8 waive the limitation in section 1001D of this Act if
9 the Secretary determines that doing so is necessary
10 to fulfill the objectives of the regional water en11 hancement program.

12 "(e) MODIFICATION OF SECRETARIAL AUTHORITY.— 13 To the extent that the Secretary will be carrying out re-14 gional water enhancement activities in an area, the Sec-15 retary may use the general authorities provided in this 16 subtitle to ensure that all producers and landowners in 17 the region have the opportunity to participate in such ac-18 tivities.

19 "(f) RELATIONSHIP WITH OTHER PROGRAMS.—The 20 Secretary shall ensure that, to the extent producers and 21 landowners are individually participating in other pro-22 grams under this subtitle in a region where the regional 23 water enhancement program is in effect, any improve-24 ments to water quality or water quantity attributable to

such individual participation is included in the evaluation
 criteria developed under subparagraph (d)(1)(B).

3 "(g) CONSISTENCY WITH STATE LAW.—Any regional
4 water enhancement activity conducted under this section
5 shall be consistent with State water laws.

6 "(h) FUNDING.—

"(1) AVAILABILITY OF FUNDS.—In addition to
funds made available to carry out this chapter under
section 1241(a)(6), the Secretary shall use funds of
the Commodity Credit Corporation to carry out this
section in the amount of, to the maximum extent
practicable, \$60,000,000 for each of fiscal years
2008 through 2012.

14 "(2) LIMITATION ON ADMINISTRATIVE EX15 PENSES.—Not more than 3 percent of the funds
16 made available under paragraph (1) for a fiscal year
17 may be used for administrative expenses of the Sec18 retary.".

19sec. 2107. GRASSROOTS SOURCE WATER PROTECTION20PROGRAM.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section
12400(b) of the Food Security Act of 1985 (16 U.S.C.
3839bb-2(b)) is amended by striking "\$5,000,000 for
each of fiscal years 2002 through 2007" and inserting

1 "\$20,000,000 for each of fiscal years 2008 through2 2012".

3 (b) ADDITIONAL FUNDING.—Section 12400 of the
4 Food Security Act of 1985 (16 U.S.C. 3839bb-2) is
5 amended by adding at the end the following new sub6 section:

7 "(c) ONE-TIME INFUSION OF FUNDS.—Of the funds
8 of the Commodity Credit Corporation, the Secretary shall
9 make available, on a one-time basis, \$10,000,000 to carry
10 out this section. Such funds shall remain available until
11 expended.".

12 SEC. 2108. CONSERVATION OF PRIVATE GRAZING LAND.

13 Section 1240M(e) of the Food Security Act of 1985
14 (16 U.S.C. 3839bb(e)) is amended by striking "2007" and
15 inserting "2012".

16SEC. 2109. GREAT LAKES BASIN PROGRAM FOR SOIL ERO-17SION AND SEDIMENT CONTROL.

18 Section 1240P(c) of the Food Security Act of 1985
19 (16 U.S.C. 3839bb–3(c)) is amended by striking "2007"
20 and inserting "2012".

21 SEC. 2110. FARM AND RANCHLAND PROTECTION PROGRAM.

Subchapter B of chapter 2 of subtitle D of title XII
of the Food Security Act of 1985 (16 U.S.C. 3838h et
seq.) is amended to read as follows:

1	"Subchapter B—Farm and Ranchland
2	Protection Program
3	"SEC. 1238H. DEFINITIONS.
4	"In this subchapter:
5	"(1) ELIGIBLE ENTITY.—The term 'eligible en-
6	tity' means any of the following:
7	"(A) An agency of a State or local govern-
8	ment or an Indian tribe (including a farmland
9	protection board or land resource council estab-
10	lished under State law).
11	"(B) An organization that is organized for,
12	and at all times since the formation of the orga-
13	nization has been operated principally for, 1 or
14	more of the conservation purposes specified in
15	clause (i), (ii), (iii), or (iv) of section
16	170(h)(4)(A) of the Internal Revenue Code of
17	1986.
18	"(C) An organization described in section
19	501(c)(3) of the Internal Revenue Code of 1986
20	that is exempt from taxation under section
21	501(a) of that Code.
22	"(D) An organization described in section
23	509(a)(2) of the Internal Revenue Code of
24	1986.

1	"(E) An organization described in section
2	509(a)(3) of the Internal Revenue Code of 1986
3	that is controlled by an organization described
4	in section 509(a)(2), of that Code.
5	"(2) ELIGIBLE LAND.—The term 'eligible land'
6	means land on a farm or ranch that—
7	"(A) is cropland;
8	"(B) is rangeland;
9	"(C) is grassland;
10	"(D) is pasture land;
11	"(E) is forest land that is an incidental
12	part of an agricultural operation, as determined
13	by the Secretary; or
14	"(F) contains historical or archaeological
15	resources.
16	"(3) INDIAN TRIBE.—The term 'Indian tribe'
17	has the meaning given the term in section 4 of the
18	Indian Self-Determination and Education Assistance
19	Act (25 U.S.C. 450b).
20	"(4) Program.—The term 'program' means
21	the farm and ranchland protection program estab-
22	lished under section 1238I(a).
23	"(5) Secretary.—The term 'Secretary' means
24	the Secretary of Agriculture, acting through the
25	Natural Resources Conservation Service.

1 "SEC. 1238I. FARM AND RANCHLAND PROTECTION PRO-2 GRAM.

3 "(a) Establishment.—

4 **((1)** ESTABLISHMENT AND PURPOSE.—The 5 Secretary shall establish and carry out a farm and 6 ranchland protection program under which the Sec-7 retary shall facilitate and provide funding for the 8 purchase of conservation easements or other inter-9 ests in eligible land that is subject to a pending offer 10 from an eligible entity for the purpose of protecting 11 the agricultural use and related conservation values 12 of the land by limiting incompatible nonagricultural 13 uses of the land.

14 "(2) PRIORITY.—In carrying out the program,
15 the Secretary shall give the highest priority—

16 "(A) to protecting farm and ranchland
17 with prime, unique or other productive soils
18 that are at risk of non-agricultural develop19 ment; or

20 "(B) to projects that further a State or
21 local policy consistent with the purposes of the
22 program.

"(b) GRANTS.—As the sole method of administering
the program, the Secretary shall make grants to eligible
entities certified by the Secretary under subsection (c).
Such grants shall be made based on demonstrated need

1 for farm and ranch land protection. Grants may be made
2 for multiple transactions so long as all funds provided
3 under the program are used to purchase conservation
4 easements or other interests in land in a timely and effec5 tive manner. Eligible entities may use up to 10 percent
6 of a grant for reasonable costs of purchasing and enforc7 ing conservation easements.

8 "(c) CERTIFICATION.—

9 "(1) CERTIFICATION PROCESS.—In order to de-10 lineate eligible entities for program participation 11 under this section, the Secretary shall implement a 12 process, to be published in the Federal Register, for 13 certifying entities described in subparagraphs (A) 14 through (E) of section 1238H(1). The Secretary 15 may provide a reasonable transitional period, not to 16 extend past September 30, 2008, in order to allow 17 continued operation of the program for such time as 18 needed for the Secretary to implement the certifi-19 cation process.

20 "(2) CERTIFICATION REQUIREMENTS.—To be
21 certified under this subsection, an eligible entity
22 shall demonstrate, at a minimum, the following:

23 "(A) A legislative or organizational pur24 pose consistent with the purposes of the pro25 gram.

1	"(B) In the case of a private entity, dem-
2	onstrated experience—
3	"(i) acquiring, through purchase or
4	donation, conservation easements or other
5	interests in land that have protected the
6	agricultural use and related conservation
7	values of land; or
8	"(ii) providing stewardship of con-
9	servation easements or other interests in
10	land acquired by other entities that have
11	protected the agricultural use and related
12	conservation values of land.
13	"(C) The necessary authority under State
14	law and the resources and technical ability to
15	monitor and enforce the terms of conservation
16	easements or other interests in land, or, in the
17	case of a public entity, the authority to require
18	the holder of such easements or other interests
19	in land acquired with the use of funding under
20	the program to monitor and enforce the terms
21	of such easements or other interests in land.
22	"(D) The capacity to provide the necessary
23	matching funds from non-Federal sources for
24	projects undertaken under the program and to

1	use program funds in a timely and effective
2	manner.
3	"(E) A long-term organizational viability
4	and financial accountability.
5	"(F) Policies and procedures to ensure
6	that, on average, the purchase price of con-
7	servation easements or other interests in land
8	purchased with program funds do not exceed
9	the fair market value of the easements or other
10	interests in land.
11	"(G) Policies and procedures that ensure
12	that conservation easements or other interests
13	in land purchased with program funds will con-
14	tinue to protect the agricultural use and related
15	conservation values of the land.
16	"(H) Provision for continued stewardship
17	of the conservation easements or other interest
18	in land purchased with program funds in the
19	event the eligible entity ceases to exist or can
20	no longer monitor and enforce the conservation
21	easements or other interests in land.
22	"(d) GRANT AGREEMENTS.—The Secretary may
23	enter into an agreement with an eligible entity, under
24	which the entity may purchase conservation easements
25	using a combination of its own funds and grant funds dis-

tributed by the Secretary under the program. Such an
 agreement shall stipulate the terms and conditions under
 which the eligible entity shall use funds provided by the
 Secretary under the program, except that, under such an
 agreement—

6 "(1) the eligible entity shall be authorized to
7 determine its own criteria and priorities for pur8 chasing conservation easements and other interests
9 in land;

"(2) the eligible entity shall be authorized to
use its own terms and conditions for conservation
easements and other purchases of interests in land,
so long as—

"(A) such terms and conditions are consistent with the purposes of the program and
permit effective enforcement of the conservation
purposes of such easements or other interests;

"(B) the entity has in place a requirement
consistent with agricultural activities regarding
the impervious surfaces to be allowed for any
conservation easement or other interest in land
purchased using grant funds provided under the
program; and

24 "(C) the entity requires use of a conserva-25 tion plan for any highly erodible cropland for

1	which a conservation easement or other interest
2	in land has been purchased using grant funds
3	provided under the program;
4	"(3) up to 10 percent of grant funds may be
5	used for reasonable costs of purchasing and enforc-
6	ing conservation easements; and
7	"(4) no Federal contingent right of enforcement
8	or reversionary interest in a conservation easement
9	or other purchase of an interest in land shall be re-
10	quired.
11	"(e) GRANT AGREEMENT REVIEW AND REVOCA-
12	TION.—Every 3 years, the Secretary shall review the cer-
13	tification of an eligible entity and of the performance of
14	the entity in meeting the terms and conditions of a grant
15	agreement under subsection (d). If, in the determination
16	of the Secretary, an eligible entity no longer meets the
17	qualifications described in subsection $(c)(2)$ or is not meet-
18	ing the terms and conditions of the grant agreement, the
19	Secretary may—
20	((1) revoke the certification of the eligible enti-
21	ty; or
22	((2) allow the entity a specified period of time
23	in which to take such actions as may be necessary
24	to retain its certification or to meet the terms and

25 conditions of the grant agreement.

1 "(f) CONSERVATION PLAN.—Notwithstanding sub-2 section (d)(2), any highly erodible cropland for which a 3 conservation easement or other interest is purchased 4 under this subchapter shall be subject to the requirements 5 of a conservation plan. In the case of an easement or other interest in land that is perpetual in duration, the Sec-6 7 retary may not require the conversion of the cropland to 8 less intensive uses if, under such plan, soil erosion can be reduced to 'T' or below. 9

10 "(g) COST SHARING.—The share of the cost provided under this section for purchasing a conservation easement 11 12 or other interest in land shall not exceed 50 percent of the appraised fair market value of the conservation ease-13 ment or other interest in eligible land. Fair market value 14 15 shall be determined on the basis of an appraisal of the conservation easement or other interest in eligible land 16 using an industry-approved methodology determined by 17 the entity.". 18

19 SEC. 2111. FARM VIABILITY PROGRAM.

Section 1238J(b) of the Food Security Act of 1985
(16 U.S.C. 3838j(b)) is amended by striking "2007" and
inserting "2012".
1 SEC. 2112. WILDLIFE HABITAT INCENTIVE PROGRAM.

2 (a) REAUTHORIZATION.—Section 1240N of the Food
3 Security Act of 1985 (16 U.S.C. 3839bb-1) is amended
4 by adding at the end the following new subsection:

5 "(d) DURATION OF PROGRAM.—Using funds made
6 available under section 1241(a)(7), the Secretary shall
7 carry out the program during fiscal years 2008 through
8 2012.".

9 (b) COST SHARE FOR LONG-TERM AGREEMENTS.—
10 Section 1240N(b)(2)(B) of the Food Security Act of 1985
11 (16 U.S.C. 3839bb–1(b)(2)(B)) is amended by striking
12 "15 percent" and inserting "25 percent".

13 Subtitle B—Conservation Programs 14 Under Other Laws

15 SEC. 2201. AGRICULTURAL MANAGEMENT ASSISTANCE
16 PROGRAM.

17 (a) ELIGIBLE STATES.—Section 524(b)(1) of the
18 Federal Crop Insurance Act (7 U.S.C. 1524(b)(1)) is
19 amended—

20 (1) by inserting "Hawaii," after "Delaware,";

21 and

22 (2) by inserting "Virginia," after "Vermont,".

23 (b) TECHNICAL CORRECTION.—Section
24 524(b)(4)(B)(i) of the Federal Crop Insurance Act (7
25 U.S.C. 1524(b)(4)(B)(i)) is amended by striking "Except

as provided in clauses (ii) and (iii), the" and inserting
 "The".

3 (c) CERTAIN USES.—Section 524(b)(4) of the Fed4 eral Crop Insurance Act (7 U.S.C. 1524(b)(4)(B)) is
5 amended by adding at the end the following new subpara6 graph:

7	"(C) CERTAIN USES.—Of the amounts
8	made available to carry out this subsection for
9	a fiscal year, the Commodity Credit Corpora-
10	tion shall use not less than—

"(i) 50 percent to carry out subparagraphs (A), (B), and (C) of paragraph (2)
through the Natural Resources Conservation Service;

15 "(ii) 10 percent to provide organic
16 certification cost share assistance through
17 the Agricultural Marketing Service; and
18 "(iii) 40 percent to conduct activities

10	(iii) to percent to conduct activities
19	to carry out subparagraph (F) of para-
20	graph (2) through the Risk Management
21	Agency.".

751 SEC. 2202. RESOURCE CONSERVATION AND DEVELOPMENT 2 PROGRAM. 3 (a) LOCALLY LED PLANNING PROCESS.—Section 4 1528 of the Agriculture and Food Act of 1981 (16 U.S.C. 5 3451) is amended— 6 (1) in paragraph (1), by striking "planning 7 process" in the matter preceding subparagraph (A) 8 and inserting "locally led planning process"; and 9 (2) in paragraph (9), by striking "council" and inserting "locally led council". 10 11 (b) AUTHORIZED TECHNICAL ASSISTANCE.—Section 1528(13) of the Agriculture and Food Act of 1981 (16 12 U.S.C. 3451(13)) is amended by striking subparagraphs 13 (C) and (D) and inserting the following new subpara-14 15 graphs: "(C) providing assistance for the imple-16 mentation of area plans and projects; and 17 "(D) providing services which bring to 18 19 bear the resources of Department of Agri-20 culture programs in a local community, as de-21 fined in the locally led planning process.". 22 (c) IMPROVED PROVISION OF TECHNICAL ASSIST-

23 ANCE.—Section 1531 of the Agriculture and Food Act of 1981 (16 U.S.C. 3454) is amended— 24

(1) by inserting "(a) IN GENERAL.—" before 25 "In carrying"; and 26

(2) by adding at the end the following new sub section:

3 "(b) COORDINATOR.—To improve the provision of 4 technical assistance to councils under this subtitle, the 5 Secretary shall designate an individual, to be known as 6 the 'Coordinator', for each council. The Coordinator shall 7 be directly responsible for the provision of technical assist-8 ance to the council.".

9 (d) PROGRAM EVALUATION.—Section 1534 of the
10 Agriculture and Food Act of 1981 (16 U.S.C. 3457) is
11 repealed.

12 SEC. 2203. SMALL WATERSHED REHABILITATION PRO-13 GRAM.

(a) AVAILABILITY OF FUNDS.—Section 14(h)(1) of
the Watershed Protection and Flood Prevention Act (16
U.S.C. 1012(h)(1)) is amended by adding at the end the
following new subparagraph:

18 "(G) \$50,000,000 for each of fiscal years
19 2009 through 2012.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section
14(h)(2)(E) of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1012(h)(2)(E)) is amended by
striking "fiscal year 2007" and inserting "each of fiscal
years 2007 through 2012".

1	Subtitle C—Additional
2	Conservation Programs
3	SEC. 2301. CHESAPEAKE BAY PROGRAM FOR NUTRIENT RE-
4	DUCTION AND SEDIMENT CONTROL.
5	Chapter 5 of subtitle D of the Food Security Act of
6	1985 is amended by inserting after section $1240P$ (16
7	U.S.C. 3839bb–3) the following new section:
8	"SEC. 1240Q. RIVER RESTORATION IN THE CHESAPEAKE
9	BAY WATERSHED.
10	"(a) Chesapeake Bay Watershed Defined.—In
11	this section, the term 'Chesapeake Bay watershed' means
12	all tributaries, backwaters, and side channels, including
13	their watersheds, draining into the Chesapeake Bay.
14	"(b) Comprehensive Plan for Chesapeake Bay
15	WATERSHED.—
16	"(1) DEVELOPMENT.—The Secretary of Agri-
17	culture shall develop, as expeditiously as practicable,
18	a proposed comprehensive plan for the purpose of
19	restoring, preserving, and protecting the Chesapeake
20	bay watershed.
21	"(2) Proven technologies and innovative
22	APPROACHES.—The comprehensive plan shall pro-
23	vide for the development of new technologies and in-
24	novative approaches to advance the following goals:

1	"(A) Improvement of water quality and
2	quantity within the Chesapeake Bay.
3	"(B) Restoration, enhancement, and pres-
4	ervation of habitat for plants and wildlife.
5	"(C) Increase economic opportunity for
6	producers and rural communities.
7	"(3) Specific components.—The comprehen-
8	sive plan shall include such features as are necessary
9	to provide for—
10	"(A) the development and implementation
11	of a program for erosion prevention and con-
12	trol, sediment control and sediment removal,
13	and reduction of nutrient loads;
14	"(B) the development and implementation
15	of a program for—
16	"(i) the planning, conservation, eval-
17	uation, and construction of measures for
18	fish and wildlife habitat conservation and
19	rehabilitation; and
20	"(ii) stabilization and enhancement of
21	land and water resources; and
22	"(C) the development and implementation
23	of a long-term resource monitoring program.

1	"(4) Consultation.—The comprehensive plan
2	shall be developed by the Secretary in consultation
3	with appropriate Federal and State agencies.
4	"(c) SUBMISSION OF PLAN.—
5	"(1) SUBMISSION.—Not later than 2 years
6	after the date of enactment of [the 2007 Farm
7	Bill], the Secretary shall transmit to Congress a re-
8	port containing the comprehensive plan.
9	"(2) Additional studies and analyses.—
10	After submission of the report required by para-
11	graph (1), the Secretary shall continue to conduct
12	such studies and analyses related to the comprehen-
13	sive plan as are necessary, consistent with this sub-
14	section.
15	"(d) Restoration Enhancement and Preserva-
16	TION PROJECTS.—
17	"(1) PROJECT AUTHORITY.—In cooperation
18	with appropriate Federal and State agencies, the
19	Secretary shall carry out restoration enhancement
20	and preservation projects for the Chesapeake Bay
21	watershed to address the goals specified in sub-
22	section $(b)(2)$. To achieve the restoration, preserva-
23	tion, and protection benefits of a project, the Sec-
24	retary shall proceed expeditiously with the imple-

1	mentation of the project consistent with the com-
2	prehensive plan.
3	"(2) CRITICAL PROJECTS.—In carrying out this
4	subsection, the Secretary shall begin with the Sus-
5	quehanna River, the Shenandoah River, the Potomac
6	River, and the Patuxent River.
7	"(3) AVAILABILITY OF FUNDS.—Of the funds
8	of the Commodity Credit Corporation, the Secretary
9	shall use to carry out projects under this subsection
10	the following amounts:
11	"(A) \$10,000,000 for fiscal year 2008.
12	"(B) \$20,000,000 for fiscal year 2009.
13	"(C) \$25,000,000 for fiscal year 2010.
14	"(D) \$45,000,000 for fiscal year 2011.
15	"(E) \$50,000,000 for fiscal year 2012.
16	"(4) FEDERAL SHARE.—The Federal share of
17	the cost of carrying out any individual project under
18	this subsection shall not exceed \$5,000,000.
19	"(e) General Provisions.—
20	"(1) WATER QUALITY.—In carrying out
21	projects and activities under this section, the Sec-
22	retary shall take into account the protection of water
23	quality by considering applicable State water quality
24	standards

24 standards.

1 "(2) PUBLIC PARTICIPATION.—In developing 2 the comprehensive plan under subsection (b) and 3 carrying out projects under subsection (d), the Sec-4 retary shall implement procedures to facilitate public 5 participation, including providing advance notice of 6 meetings, providing adequate opportunity for public 7 input and comment. maintaining appropriate 8 records, and making a record of the proceeding of 9 meetings available for public inspection.

"(f) COORDINATION.—The Secretary shall integrate
and coordinate projects and activities carried out under
this section with other Federal and State programs,
projects, and activities.

14 "(g) Cost Sharing.—

15 "(1) NON-FEDERAL SHARE.—Subject to sub16 section (d)(4), the non-Federal share of the cost of
17 projects and activities carried out under this section
18 shall be not less than 35 percent.

19 "(2) OPERATION, MAINTENANCE, REHABILITA20 TION, AND REPLACEMENT.—The operation, mainte21 nance, rehabilitation, and replacement of projects
22 carried out under this section shall be a non-Federal
23 responsibility.

24 "(h) SENSE OF CONGRESS REGARDING CHESAPEAKE25 BAY EXECUTIVE COUNCIL.—

1	"(1) FINDINGS.—Congress finds the following:
2	"(A) One of the stated goals of the Chesa-
3	peake Bay Agreement is to 'develop, promote,
4	and achieve sound land use practices which pro-
5	tect and restore watershed resources and water
6	quality, maintain reduced pollutant loadings for
7	the Bay and its tributaries, and restore and
8	preserve aquatic living resources'.
9	"(B) Department of Agriculture conserva-
10	tion programs are integral to the restoration of
11	the Chesapeake Bay and achieving the water
12	quality goals for the Chesapeake Bay program.
13	"(2) SENSE OF CONGRESS.—In light of the
14	findings specified in paragraph (1), it is the sense of
15	Congress that the Secretary of Agriculture should be
16	a member of the Chesapeake Bay Executive Council,
17	and is authorized to do so under section $1(3)$ of the
18	Soil Conservation and Domestic Allotment Act (16
19	U.S.C. 590a(3)).".
20	SEC. 2302. VOLUNTARY PUBLIC ACCESS AND HABITAT IN-
21	CENTIVE PROGRAM.
22	Chapter 5 of subtitle D of title XII of the Food Secu-
23	rity Act of 1985 is amended by inserting after section
24	1240Q, as added by section 2301, the following new sec-

25 tion:

1 "SEC. 1240R. VOLUNTARY PUBLIC ACCESS AND HABITAT IN-2 CENTIVE PROGRAM.

3 "(a) ESTABLISHMENT.—The Secretary shall establish a voluntary public access program under which States 4 5 and tribal governments may apply for grants to encourage owners and operators of privately-held farm, ranch, and 6 7 forest land to voluntarily make that land available for ac-8 cess by the public for wildlife-dependent recreation, including hunting or fishing, under programs administered by 9 the States and tribal governments. 10

11 "(b) APPLICATIONS.—In submitting applications for
12 a grant under the program, a State or tribal government
13 shall describe—

- "(1) the benefits that the State or tribal government intends to achieve by encouraging public access to private farm and ranch land for—
- 17 "(A) hunting and fishing; and
- 18 "(B) to the maximum extent practicable,19 other recreational purposes; and
- 20 "(2) the methods that will be used to achieve21 those benefits.

"(c) PRIORITY.—In approving applications and
awarding grants under the program, the Secretary shall
give priority to States and tribal governments that—

1	"(1) have consistent opening dates for migra-
2	tory bird hunting for both residents and non-resi-
3	dents;
4	"(2) propose to maximize participation by offer-
5	ing a program the terms of which are likely to meet
6	with widespread acceptance among landowners;
7	"(3) propose to ensure that land enrolled under
8	the State or tribal government program has appro-
9	priate wildlife habitat;
10	"(4) propose to strengthen wildlife habitat im-
11	provement efforts on land enrolled in a special con-
12	servation reserve enhancement program described in
13	1234(f)(4) by providing incentives to increase public
14	hunting and other recreational access on that land;
15	and
16	"(5) propose to use additional Federal, State,
17	tribal government, or private resources in carrying
18	out the program.
19	"(d) Relationship to Other Laws.—Nothing in
20	this section preempts a State or tribal government law,
21	including any State or tribal government liability law.
22	"(e) REGULATIONS.—The Secretary shall promulgate
23	such regulations as are necessary to carry out this section.
24	"(f) Authorization of Appropriations.—There
25	is authorized to be appropriated to the Secretary

\$20,000,000 for each of fiscal years 2008 through 2012 1 2 to carry out this section.".

Subtitle D—Administration and 3 Funding 4

5 SEC. 2401. FUNDING OF CONSERVATION PROGRAMS UNDER

6	FOOD SECURITY	ACT	OF	1985.
•	1002 82001011		~-	

7 (a) IN GENERAL.—Section 1241(a) of the Food Se-8 curity Act of 1985 (16 U.S.C. 3841(a)) is amended in the matter preceding paragraph (1), by striking "2007" and 9 inserting "2012". 10

11 (b) CONSERVATION SECURITY PROGRAM.—Para-12 graph (3) of section 1241(a) of the Food Security Act of 13 1985 (16 U.S.C. 3841(a)) is amended to read as follows: 14 "(3) The conservation security program under 15 subchapter A of chapter 2, using, to the maximum 16 extent practicable—

17 "(A) in the case of conservation security 18 contracts entered into before October 1, 2007, 19 under such subchapter, as in effect on the day 20 before the date of the enactment of the 2007 Farm Bill 21 , **n** . .

22	(1) \$1,454,000,000 for the period of
23	fiscal years 2007 through 2012; and
24	"(ii) \$1,927,000,000 for the period of
25	fiscal years 2007 through 2017; and

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1	"(B) in the case of conservation security
2	contracts entered into on or after October 1,
3	2011, under such subchapter—
4	"(i) \$501,000,000 for fiscal year
5	2012; and
6	"(ii) \$4,646,000,000 for the period of
7	fiscal years 2012 through 2017.".
8	(c) FARM AND RANCHLAND PROTECTION PRO-
9	GRAM.—Paragraph (4) of section 1241(a) of the Food Se-
10	curity Act of 1985 (16 U.S.C. 3841(a)) is amended to
11	read as follows:
12	"(4) The farm and ranchland protection pro-
13	gram under subchapter B of chapter 2, using, to the
14	maximum extent practicable—
15	"(A) \$125,000,000 in fiscal year 2008;
16	"(B) \$150,000,000 in fiscal year 2009;
17	"(C) \$200,000,000 in fiscal year 2010;
18	"(D) \$250,000,000 in fiscal year 2011;
19	and
20	"(E) \$300,000,000 in fiscal year 2012.".
21	(d) Environmental Quality Incentives Pro-
22	GRAM.—Paragraph (6) of section 1241(a) of the Food Se-
23	curity Act of 1985 (16 U.S.C. 3841(a)) is amended to
24	read as follows:

1	"(6) The environmental quality incentives pro-
2	gram under chapter 4, using, to the maximum ex-
3	tent practicable—
4	"(A) \$1,500,000,000 in fiscal year 2008;
5	"(B) \$1,600,000,000 in fiscal year 2009;
6	"(C) \$1,700,000,000 in fiscal year 2010;
7	"(D) \$1,800,000,000 in fiscal year 2011;
8	and
9	"(E) \$2,000,000,000 in fiscal year 2012.".
10	(e) Wildlife Habitat Incentives Program.—
11	Paragraph (7)(D) of section 1241(a) of the Food Security
12	Act of 1985 (16 U.S.C. 3841(a)) is amended by striking
13	"2007" and inserting "2012".
13 14	"2007" and inserting "2012". SEC. 2402. IMPROVED PROVISION OF TECHNICAL ASSIST-
14	SEC. 2402. IMPROVED PROVISION OF TECHNICAL ASSIST-
14 15 16	SEC. 2402. IMPROVED PROVISION OF TECHNICAL ASSIST- ANCE UNDER CONSERVATION PROGRAMS.
14 15 16	SEC. 2402. IMPROVED PROVISION OF TECHNICAL ASSIST- ANCE UNDER CONSERVATION PROGRAMS. Section 1242 of the Food Security Act of 1985 (16
14 15 16 17	SEC. 2402. IMPROVED PROVISION OF TECHNICAL ASSIST- ANCE UNDER CONSERVATION PROGRAMS. Section 1242 of the Food Security Act of 1985 (16 U.S.C. 3842) is amended—
14 15 16 17 18	SEC. 2402. IMPROVED PROVISION OF TECHNICAL ASSIST- ANCE UNDER CONSERVATION PROGRAMS. Section 1242 of the Food Security Act of 1985 (16 U.S.C. 3842) is amended— (1) in subsection (a)—
14 15 16 17 18 19	SEC. 2402. IMPROVED PROVISION OF TECHNICAL ASSIST- ANCE UNDER CONSERVATION PROGRAMS. Section 1242 of the Food Security Act of 1985 (16 U.S.C. 3842) is amended— (1) in subsection (a)— (A) by striking "or" at the end of para-
 14 15 16 17 18 19 20 	SEC. 2402. IMPROVED PROVISION OF TECHNICAL ASSIST- ANCE UNDER CONSERVATION PROGRAMS. Section 1242 of the Food Security Act of 1985 (16 U.S.C. 3842) is amended— (1) in subsection (a)— (A) by striking "or" at the end of para- graph (1); and
 14 15 16 17 18 19 20 21 	 SEC. 2402. IMPROVED PROVISION OF TECHNICAL ASSIST- ANCE UNDER CONSERVATION PROGRAMS. Section 1242 of the Food Security Act of 1985 (16 U.S.C. 3842) is amended— (1) in subsection (a)— (A) by striking "or" at the end of paragraph (1); and (B) by striking paragraph (2) and insert-

1	"(3) at the option of the producer, through a
2	payment as determined by the Secretary, directly to
3	an approved third party, if available, or to the pro-
4	ducer for an approved third party, if available.";
5	(2) in subsection (b)—
6	(A) by striking "technical assistance" each
7	place it appears and inserting "technical serv-
8	ices"; and
9	(B) in paragraph $(1)(B)$, by striking "that
10	assistance" and inserting "those technical serv-
11	ices"; and
12	(3) by adding at the end the following new sub-
13	sections:
14	"(c) PAYMENT AMOUNTS.—
15	"(1) USE OF PREVAILING MARKET RATES.—
16	The Secretary shall set the amounts of payments
17	under subsection $(b)(1)(B)$ for technical services at
18	levels not less than prevailing private market rates.
19	"(2) EXCEPTION.—Paragraph (1) shall not
20	apply in instances where personnel of the Depart-
21	ment of Agriculture are immediately available to
22	provide comparable technical services to eligible pro-
23	ducers.
24	"(d) Review and Expedited Approval of Tech-
25	NICAL ASSISTANCE SPECIFICATIONS.—

1	"(1) Review of existing technical assist-
2	ANCE SPECIFICATIONS.—
3	"(A) REVIEW OF SPECIFICATIONS.—The
4	Secretary shall direct each State to review and
5	ensure, to the maximum extent practicable, the
6	completeness and relevance of technical assist-
7	ance specifications in effect as of the date of
8	the enactment of [the 2007 Farm Bill].
9	"(B) CONSULTATION.—In conducting the
10	assessment under subparagraph (A), a State
11	shall consult with specialty crop producers, crop
12	consultants, cooperative extension and land-
13	grant universities, nongovernmental organiza-
14	tions, and other qualified entities.
15	"(C) EXPEDITED REVISION OF SPECIFICA-
16	TIONS.—If a State determines under subpara-
17	graph (A) that revisions to its technical assist-
18	ance specifications are necessary, the State
19	shall establish an administrative process for ex-
20	pediting the revisions.
21	"(2) Addressing concerns of specialty
22	CROP PRODUCERS.—
23	"(A) IN GENERAL.—The Secretary shall
24	direct each State to fully incorporate into its
25	technical assistance specifications and provide

1	for the appropriate range of conservation prac-
2	tices and resource mitigation measures available
3	to specialty crop producers.
4	"(B) AVAILABILITY OF ADEQUATE TECH-
5	NICAL ASSISTANCE.—The Secretary shall en-
6	sure that adequate technical assistance is avail-
7	able for the implementation of conservation
8	practices by specialty crop producers through
9	Federal conservation programs. In carrying out
10	this requirement, the Secretary shall develop—
11	"(i) programs that meet specific needs
12	of specialty crop producers through cooper-
13	ative agreements with other agencies and
14	nongovernmental organizations; and
15	"(ii) program specifications that allow
16	for innovative approaches that engage local
17	resources in providing technical assistance
18	for planning and implementation of con-
19	servation practices.
20	"(e) Non-Federal Assistance.—The Secretary
21	may request the services of, and enter into cooperative
22	agreements or contracts with, non-Federal entities to as-
23	sist the Secretary in providing technical assistance nec-
24	essary to develop and implement conservation programs
25	under this title.".

91 1 SEC. 2403. COOPERATIVE CONSERVATION PARTNERSHIP 2 INITIATIVE. 3 TRANSFER OF EXISTING PROVISIONS.—Sub-(a) sections (b), (c), and (d) of section 1243 of the Food Secu-4 5 rity Act of 1985 (16 U.S.C. 3843) are— 6 (1) redesignated as subsections (c), (d), and (e), 7 respectively; and 8 (2) transferred to appear at the end of section 1244 of such Act (16 U.S.C. 3844). 9 (b) Establishment of Partnership Initia-10 11 TIVE.—Section 1243 of the Food Security Act of 1985 (16 U.S.C. 3843), as amended by subsection (a), is 12 amended to read as follows: 13 14 **"SEC. 1243. COOPERATIVE CONSERVATION PARTNERSHIP** 15 **INITIATIVE.** 16 "(a) Grants and Agreements.—The Secretary 17 shall make grants and enter into agreements for not shorter than 2-year or longer than 5-year terms with eligible 18 19 entities specified in subsection (c) to preferentially enroll 20producers in 1 or more of the programs specified in sub-21 section (b)— 22 "(1) to carry out special projects and initiatives 23 through which multiple producers and other inter-24 ested persons cooperate to address specific resources 25 of concern related to agricultural production on a

local, State, or regional scale, including special

1	projects and initiatives that also address community
2	and economic development needs and opportunities;
3	and
4	"(2) to increase access to, and participation in,
5	the programs specified in subsection (b) by pro-
6	ducers of specialty crops (as defined in section 3 of
7	the Specialty Crops Competitiveness Act of 2004
8	(Public Law 108–465; 7 U.S.C. 1621 note).
9	"(b) Covered Programs.—The conservation pro-
10	grams covered by this section are the following:
11	"(1) Conservation security program.
12	"(2) Environmental quality incentives program.
13	"(3) Wildlife habitat incentive program.
14	"(c) ELIGIBLE PARTNERS.—Grants may be made or
15	agreements may be entered into under this section with
16	any of the following (or a combination thereof):
17	"(1) States and agencies of States.
18	"(2) Political subdivisions of States, including
19	counties and State- or county-sponsored conserva-
20	tion districts.
21	"(3) Indian tribes.
22	"(4) Nongovernmental organizations and asso-
23	ciations, including producer associations, farmer co-
24	operatives, extension associations, and conservation
25	organizations with a history of working cooperatively

1	with producers to effectively address resource con-
2	cerns related to agricultural production, as deter-
3	mined by the Secretary.
4	"(d) Applications.—
5	"(1) Competitive process.—The Secretary
6	shall establish a competitive process for considering
7	applications for grants or agreements under this sec-
8	tion consistent with the evaluation criteria listed in
9	subsection (e).
10	"(2) Program Allocation.—Applications
11	shall include—
12	"(A) specification of the amount of fund-
13	ing or acres, or both, of 1 or more covered pro-
14	grams specified in subsection (b) proposed to be
15	allocated to carry out the special project or ini-
16	tiative; and
17	"(B) a schedule for utilization of funding
18	or acres over the life of the proposed project or
19	initiative.
20	"(e) EVALUATION CRITERIA.—In evaluating applica-
21	tions for grants or agreements under this section the Sec-
22	retary shall consider the extent to which—
23	((1)) preferential enrollment in the covered pro-
24	grams specified in the application will effectively ad-

1	dress the environmental objectives established for
2	the special project or initiative; and
3	((2) the special project or initiative covered by
4	the application—
5	"(A) enjoys local and regional support
6	from producers and other interested persons,
7	including governmental and nongovernmental
8	organizations with appropriate expertise on the
9	issues the project or initiative seeks to address;
10	"(B) includes clear environmental objec-
11	tives;
12	"(C) includes a well defined project or ini-
13	tiative plan that identifies sensitive areas re-
14	quiring treatment and prioritizes conservation
15	practices and activities needed to achieve envi-
16	ronmental objectives;
17	"(D) promises adequate and coordinated
18	participation to achieve the objectives of the
19	project or initiative;
20	"(E) coordinates integration of local,
21	State, and Federal efforts to make the best use
22	of available resources and maximize cost-effec-
23	tive investments;
24	"(F) leverages financial and technical re-
25	sources from sources other than the programs

1	authorized by this subtitle, including financial
2	and technical resources provided by Federal
3	and State agencies, local governments, non-
4	governmental organizations and associations,
5	and other private sector entities;
6	"(G) describes how all necessary technical
7	assistance will be provided to each producer
8	participating in the project or initiative, includ-
9	ing cost estimates for technical assistance and
10	whether such assistance will be provided by
11	technical service providers;
12	"(H) describes how the administrative
13	costs of the project or initiative will be mini-
14	mized;
15	"(I) addresses a local, State, regional, or
16	national environmental priority or priorities,
17	with particular emphasis on any priority for
18	which there is an existing State or federally ap-
19	proved plan in place for addressing that pri-
20	ority;
21	"(J) includes a plan to evaluate progress,
22	measure results, and meet the purposes of the
23	agreement;
24	"(K) clearly demonstrates that enrollment
25	of producers in covered programs will be con-

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1 sistent with the purposes and policies of each 2 individual program, as established in statute, 3 rules and regulations, and program guidance 4 promulgated by implementing agencies; 5 "(L) links resource and environmental ob-6 with community development iectives or 7 agritourism objectives that can be improved as 8 a result of addressing the resources of concern; 9 "(M) demonstrates innovation in linking

10 environmental and community development objectives; and

12 "(N) addresses the needs of beginning 13 farmers and ranchers, socially disadvantaged 14 farmers and ranchers, and limited resource 15 farmers and ranchers.

"(f) PRIORITIES.—To the maximum extent prac-16 ticable, consistent with the requirements of subsection (d), 17 18 the Secretary shall ensure that, each fiscal year, grants 19 are awarded and agreements are entered into under this 20 section to support projects and initiatives that collectively 21 address the resource concerns facing producers, ranchers, 22 and nonindustrial private forest landowners, including 23 specifically projects and initiatives that are designed—

24 "(1) to achieve improvements in water quality 25 in watersheds impacted by agriculture, particularly

1	by increasing the participation of producers in im-
2	plementing best management practices in a water-
3	shed or developing environmentally and economically
4	viable alternative uses for manure and litter;
5	((2) to achieve improvements in air quality in
6	a geographical area where agricultural operations
7	impact air quality;
8	"(3) to support State activities to efficiently
9	manage and utilize their water resources in regions,
10	States or local areas where water quantity is a con-
11	cern;
12	"(4) to assist in carrying out a State Wildlife
13	Habitat Incentives Program plan or other State, re-
14	gional, or national conservation initiative.
15	"(5) to control invasive species on rangeland or
16	other agricultural land through the cooperative ef-
17	forts of multiple producers in a geographical area;
18	((6) to address a specific resource of concern or
19	set of concerns on private, non-industrial forest land;
20	((7) to reduce losses of pesticides to the envi-
21	ronment by engaging multiple producers in a geo-
22	graphic area in adoption of integrated pest manage-
23	ment practices and approaches;

"(8) to protect farmland and ranch land facing
 development pressures from being converted to non agricultural use; or
 "(9) to assist producers in carrying out good
 management practices to enhance food safety.
 "(g) COST SHARE.—The Secretary shall not require
 more than 25 percent of the cost of a project or initiative

8 supported under a grant or agreement entered into under
9 this section to come from non-Federal sources. However,
10 the Secretary may give higher priority to projects or initia11 tives offering to cover a higher percentage of the cost of
12 the project or initiative from non-Federal sources.

13 "(h) INCENTIVE AND BONUS PAYMENTS.—

- 14 "(1) AVAILABILITY.—Applications submitted
 15 under subsection (d)(2) may include proposals for
 16 special incentive and bonus payments, consistent
 17 with the statutory purposes of the programs in18 volved, to producers that—
- 19 "(A) restore land, water, or habitat as a20 community development asset; or
- 21 "(B) provide public access to enrolled land.
 22 "(2) CRITERIA.—The Secretary shall develop
 23 and publish criteria for providing special incentive or
 24 bonus payments to producers under paragraph (1).
 25 "(i) FUNDING.—

"(1) SET-ASIDE.—Of the funds provided for
each of fiscal years 2008 through 2012 to implement
the programs specified in subsection (b), the Secretary shall reserve 10 percent to ensure an adequate source of funds for grants, agreements, financial assistance to producers under this section.

7 "(2) Allocation to states.—The Secretary 8 shall allocate to States 90 percent of the funds re-9 served under paragraph (1) for a fiscal year to allow 10 State Conservationists, with the advice of State tech-11 nical committees, to select projects and initiatives 12 for funding under this section at the State level. The 13 allocation shall be made on a similar basis as what 14 would have been the case under the covered pro-15 grams identified in subsection (b).

"(3) UNUSED FUNDING.—Any funds reserved
for a fiscal year under paragraph (1) that are not
obligated by April 1 of that fiscal year may be used
to carry out other activities under conservation programs under subtitle D during the remainder of that
fiscal year.

22 "(4) ADMINISTRATIVE COSTS FUNDING CAP.—
23 Of the funds made available under this section for
24 a particular project or initiative, not more than 5

1 percent may be expended by the eligible entity on 2 the administrative costs of the project or initiative.". 3 SEC. 2404. REGIONAL EQUITY AND FLEXIBILITY. 4 Section 1241(d) of the Food Security Act of 1985 5 (16)U.S.C. 3841(d)) is amended by striking 6 "\$12,000,000" and inserting "\$15,000,000". 7 SEC. 2405. ADMINISTRATIVE REQUIREMENTS FOR CON-8 SERVATION PROGRAMS. 9 (a) INCENTIVES FOR CERTAIN PRODUCERS.—Section 1244(a) of the Food Security Act of 1985 (16 U.S.C. 10 11 3844(a)) is amended— 12 (1) in the subsection heading, by striking "BE-GINNING" and inserting "INCENTIVES FOR CER-13 14 TAIN"; (2) by inserting ", socially disadvantaged farm-15 16 ers and ranchers, limited resource farmers and 17 ranchers," after "beginning farmers and ranchers"; 18 and (3) by striking "and limited resource agricul-19 20 tural producers". 21 (b) SINGLE, SIMPLIFIED APPLICATION PROCESS FOR 22 CONSERVATION PROGRAMS.—Section 1244 of the Food 23 Security Act of 1985 (16 U.S.C. 3844), as amended by 24 section 2403, is amended by adding at the end the fol-25 lowing new subsection:

1	"(f) Single, Simplified Application Process.—
2	"(1) ESTABLISHMENT.—In carrying out any of
3	the conservation programs under this title adminis-
4	tered by the Natural Resources Conservation Serv-
5	ice, the Secretary shall establish and make available
6	to producers and landowners a single, simplified ap-
7	plication process to be used by producers and land-
8	owners in initially requesting assistance under such
9	programs. The Secretary shall ensure that—
10	"(A) conservation program applicants are
11	not required to provide information that dupli-
12	cates information and resources already avail-
13	able to the Secretary regarding that applicant
14	and for that specific operation; and
15	"(B) the application process is streamlined
16	to minimize complexity and redundancy.
17	"(2) REVIEW OF APPLICATION PROCESS.—The
18	Secretary shall review the conservation application
19	process and the forms and related mechanisms used
20	to receive assistance requests from producers and
21	landowners. The purpose of the review shall be to
22	determine what information the applicant is actually
23	required to submit during the application process,
24	including—

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1	"(A) identification information for the ap-
2	plicant;
3	"(B) identification and location informa-
4	tion for the land parcel or tract of concern;
5	"(C) a general statement of the applicant's
6	resource concern or concerns for the land parcel
7	or tract; and
8	"(D) the minimum amount of other infor-
9	mation the Secretary considers essential for the
10	applicant to provide.
11	"(3) REVISION AND STREAMLINING.—The Sec-
12	retary shall carry out a revision of the application
13	forms and processes for conservation programs cov-
14	ered in this subsection to enable utilization of infor-
15	mation technology as an avenue to incorporate ap-
16	propriate data and information concerning the con-
17	servation needs and solutions appropriate for the
18	land area identified by the applicant. The revision
19	shall seek to streamline the application process to
20	minimize the burden placed on the applicant.
21	"(4) Conservation program application.—
22	When the needs of an applicant are adequately as-
23	sessed by the Secretary, directly or through a third-
24	party provider under section 1242, in order to deter-
25	mine the conservation programs under this title that

1	best match the needs of the applicant, with the ap-
2	proval of the applicant, the Secretary may convert
3	the initial application into a specific application for
4	assistance for a specific program. To the maximum
5	extent practical, the specific application for con-
6	servation program assistance shall be carried out by
7	the Secretary by requesting only that specific further
8	information from the applicant that is not already
9	available to the Secretary.
10	"(5) Implementation and notification.—
11	Not later than one year after the date of the enact-
12	ment of [the Farm Bill], the Secretary shall com-
13	plete the requirements of this subsection and shall
14	submit to Congress a written notification of such
15	completion.".
16	SEC. 2406. ANNUAL REPORT ON PARTICIPATION BY SPE-
17	CIALTY CROP PRODUCERS IN CONSERVA-
18	TION PROGRAMS.
19	(a) REPORT REQUIRED.—Subtitle F of title XII of
20	the Food Security Act of 1985 is amended by inserting
21	after section 1251 (16 U.S.C. 2005a) the following new

"SEC. 1252. ANNUAL REPORT ON PARTICIPATION BY SPE CIALTY CROP PRODUCERS IN CONSERVA TION PROGRAMS.

4 "(a) REPORT REQUIRED.—The Secretary of Agri5 culture shall submit to the Committee on Agriculture of
6 the House of Representatives and the Committee on Agri7 culture, Nutrition, and Forestry of the Senate an annual
8 report that—

9 "(1) documents and analyzes the participation 10 by producers of specialty crops in conservation pro-11 grams under subtitle D, including the conservation 12 security program and the environmental quality in-13 centives program;

14 "(2) tracks such participation by crop and live-15 stock type; and

"(3) describes the results of implementing the
plan required by subsection (b), as well as any modifications to the plan that the Secretary finds necessary to increase its effectiveness.

"(b) ACCESS PLAN.—As part of each report submitted under subsection (a), the Secretary shall set forth
a plan to improve the access of producers of specialty
crops to, and their participation in, conservation programs
under subtitle D. In developing the plan, the Secretary
shall consult with organizations representing producers of
specialty crops.

"(c) SPECIALTY CROP DEFINED.—In this section,
 the term 'specialty crop' has the meaning given such term
 by section 3(1) of the Specialty Crops Competitiveness Act
 of 2004 (Public Law 108–465; 7 U.S.C. 1621 note).".

5 (b) INITIAL REPORT.—The first report required
6 under section 1252 of the Food Security Act of 1985, as
7 added by subsection (a), shall be submitted not later than
8 180 days after the date of the enactment of this Act. Sub9 section (a)(2) of such section shall not apply with respect
10 to the first report.

11 SEC. 2407. PROMOTION OF MARKET-BASED APPROACHES 12 TO CONSERVATION.

13 (a) FINDINGS.—Congress finds the following:

14 (1) Many of the conservation and environmental
15 benefits produced on farms, ranches, and private
16 forest lands in the United States do not have an as17 signed value in the market place or lack a private
18 market altogether.

19 (2) While private markets for environmental
20 goods and services are emerging, their viability has
21 been hampered by several barriers.

(3) The Federal Government can help overcome
these barriers and promote the establishment of
markets for agricultural and forestry conservation
activities.

(4) Generating substantial private-sector de mand for environmental goods and services hinges
 on the ability to use environmental credits generated
 by agricultural and forest conservation activities.

5 (b) MARKET-BASED APPROACHES.—Subtitle E of
6 title XII of the Food Security Act of 1985 is amended
7 by inserting after section 1244 (16 U.S.C. 3844) the fol8 lowing new section:

9 "SEC. 1245. MARKET-BASED APPROACHES TO CONSERVA-10 TION.

11 "(a) IMPLEMENTATION.—To facilitate the develop-12 ment and effective operation of private sector market-13 based approaches for environmental goods and services 14 produced by farmers, ranchers, and owners of private for-15 est land, the Secretary may conduct research and analysis, 16 enter into contracts and cooperative agreements, and 17 award grants for the purpose of—

"(1) promoting the development of consistent
standards and processes for quantifying environmental benefits, including the creation of performance standards or baselines;

22 "(2) promoting the establishment of reporting
23 and credit registries, including third-party
24 verification and certification; and

"(3) promoting actions that facilitate the devel opment and functioning of private-sector market based approaches for environmental goods and serv ices involving agriculture and forestry.

5 "(b) Environmental Services Standards6 Board.—

7 "(1) ESTABLISHMENT.—There is to be estab-8 lished an Environmental Services Standards Board 9 to develop consistent performance standards for 10 quantifying environmental services from land man-11 agement and agricultural activities in order to facili-12 tate the development of credit markets for conserva-13 tion and land management activities that are agri-14 culture or forest based.

15 "(2) CHAIRPERSON.—The Secretary of Agri16 culture shall serve as chair of the Environmental
17 Services Standards Board.

18 "(3) MEMBERSHIP.—The Environmental Serv19 ices Standards Board shall be comprised of the Sec20 retary of Agriculture, the Secretary of the Interior,
21 the Secretary of Energy, the Secretary of Com22 merce, the Secretary of Transportation, the Admin23 istrator of the Environmental Protection Agency, the
24 Commander of the Army Corps of Engineers, and

such other representatives as determined by the
 President.

3 "(4) SUBCOMMITTEES.—The Environmental
4 Services Standards Board may form subcommittees
5 to address specific issues.

6 "(c) DISSEMINATION OF PERFORMANCE STAND-7 ARDS.—Federal agencies are authorized to adopt perform-8 ance standards developed by the Environmental Services 9 Standards Board for quantifying environmental services 10 that establish credits to meet requirements of environ-11 mental and conservation programs.

12 "(d) FUNDING .—There is authorized to be appro13 priated \$50,000,000 to carry out this section. Amounts
14 so appropriated shall remain available until expended.

15 "(e) DEFINITIONS.—In this section:

"(1) BASELINE.—The term 'baseline' means a
level of effort or performance that is expected to be
met before an entity can generate marketable credits.

20 "(2) PERFORMANCE STANDARD.—The term
21 'performance standard' means a defined level of en22 vironmental performance, expressed as a narrative
23 or measurable number, which specifies the minimum
24 acceptable environmental performance of an oper25 ation or practice.".

1 SEC. 2408. ESTABLISHMENT OF STATE TECHNICAL COM-2 MITTEES AND THEIR RESPONSIBILITIES. 3 Subtitle G of title XII of the Farm Security Act of 1985 (16 U.S.C. 3861, 3862) is amended to read as fol-4 5 lows: "Subtitle G—State Technical 6 **Committees** 7 8 "SEC. 1261. ESTABLISHMENT OF STATE TECHNICAL COM-9 MITTEES. 10 "(a) ESTABLISHMENT.—The Secretary shall establish a technical committee in each State to assist the Sec-11 retary in the considerations relating to implementation 12 13 and technical aspects of the conservation programs under this title. 14 15 "(b) COMPOSITION.—Each State technical committee 16 shall be composed of agricultural producers and other pro-17 fessionals that represent a variety of disciplines in the soil, water, wetland, and wildlife sciences. The technical com-18 19 mittee for a State shall include representatives from 20 among the following: 21 "(1) The Natural Resources Conservation Serv-22 ice. 23 "(2) The Farm Service Agency. 24 "(3) The Forest Service. 25 "(4) The Cooperative State Research, Edu-

26 cation, and Extension Service.

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1	"(5) The State fish and wildlife agency.
2	"(6) The State forester or equivalent State offi-
3	cial.
4	"(7) The State water resources agency.
5	"(8) The State department of agriculture.
6	"(9) The State association of soil and water
7	conservation districts.
8	"(10) At least 12 agricultural producers rep-
9	resenting the variety of crops and livestock or poul-
10	try grown within the State.
11	"(11) Nonprofit organizations within the mean-
12	ing of section $501(c)(2)$ of the Internal Revenue
13	Code of 1986 with demonstrable conservation exper-
14	tise and experience working with agriculture pro-
15	ducers in the State.
16	"(12) Agribusiness.
17	"(c) SUBCOMMITTEES.—A State technical committee
18	shall convene one or more subcommittees to provide tech-
19	nical guidance and implementation recommendations. The
20	topics that a subcommittee shall address shall include, at
21	a minimum, the following:
22	"(1) Establishing priorities and criteria for
23	State initiatives under the programs in this title, in-
24	cluding the review of whether local working groups
25	are addressing those priorities.

1	"(2) Issues related to private forestlands pro-
2	tection and enhancement.
3	"(3) Issues related to water quality and water
4	quantity.
5	((4) In those States where applicable, issues re-
6	lated to air quality.
7	"(5) Issues related to wildlife habitat, including
8	the protection of nesting wildlife.
9	"(6) Issues related to wetland protection, res-
10	toration, and mitigation requirements.
11	"(7) Other issues as the Secretary determines
12	would be useful.
13	"SEC. 1262. RESPONSIBILITIES.
14	"(a) IN GENERAL.—Each State technical committee
15	established under section 1261 shall meet regularly to pro-
16	vide information, analysis, and recommendations to appro-
17	priate officials of the Department of Agriculture who are
18	charged with implementing the conservation provisions of
19	this title.
20	"(b) Public Notice and Attendance.—Each
21	State technical committee shall provide public notice of,
22	and permit public attendance at, meetings considering
23	issues of concern related to carrying out this title.
24	"(c) Advisory Role.—The role of a State technical
25	committee is advisory in nature, and the committee shall

have no implementation or enforcement authority. How ever, the Secretary shall give strong consideration to the
 recommendations of the committee in administering the
 programs under this title.

5 "(d) FACA REQUIREMENTS.—Except as provided in
6 subsection (b), a State technical committee, including any
7 subcommittee of State technical committee, is exempt
8 from the Federal Advisory Committee Act (5 U.S.C.
9 App.).".

Subtitle E—Miscellaneous Provisions

12SEC. 2501. INCLUSION OF INCOME FROM AFFILIATED13PACKING AND HANDLING OPERATIONS AS IN-14COME DERIVED FROM FARMING FOR APPLI-15CATION OF ADJUSTED GROSS INCOME LIMI-16TATION ON ELIGIBILITY FOR CONSERVATION17PROGRAMS.

18 Section 1001D(b)(1) of the Food Security Act of
19 1985 (7 U.S.C. 1308-3a(b)(1)) is amended by inserting
20 "(including, for purposes of paragraph (2)(C), affiliated
21 packing and handling operations)" after "derived from
22 farming".

1SEC. 2502. ENCOURAGEMENT OF VOLUNTARY SUSTAIN-2ABILITY PRACTICES GUIDELINES.

In administering this title and the amendments made
by this title, the Secretary of Agriculture may encourage
the development of voluntary sustainable practices guidelines for producers and processors of specialty crops.

7 SEC. 2503. FARMLAND RESOURCE INFORMATION.

8 (a) DEVELOPMENT AND DISSEMINATION OF FARM-9 LAND RESOURCE INFORMATION.—The Secretary of Agriculture shall design and implement educational programs 10 11 and materials emphasizing the importance of productive farmland to the Nation's well-being and distribute edu-12 13 cational materials through communications media, schools, groups, and other Federal agencies. The Sec-14 retary shall carry out this subsection through existing 15 16 agencies or interagency groups and in cooperation with nonprofit organizations and the cooperative extension 17 services of States. 18

19 (b) FARMLAND INFORMATION CENTERS.—The Secretary shall designate 1 or more farmland information 20 21 centers to provide technical assistance and serve as central 22 depositories and distribution points for information on 23 farmland issues. Information provided by a center shall 24 include online access to data on land cover and use changes and trends and literature, laws, historical ar-25 chives, policies, programs, and innovative actions or pro-26

posals by local and State governments or nonprofit organi zations related to farmland protection.

3 (c) FUNDING.—Funds for the farmland information 4 centers designated under subsection (b) shall be provided 5 using funds made available for the farm and ranchland protection program established under subchapter B of 6 7 chapter 2 of subtitle D of title XII of the Food Security 8 Act of 1985 (16 U.S.C. 3838h et seq.). Such funding for 9 a fiscal year shall not exceed one-half of 1 percent of the 10 funds made available for the farm and ranchland protection program for that fiscal year, but no less than 11 \$400,000 annually. 12

(d) MATCHING FUNDS.—Federal funding for a farm14 land information center designated under subsection (b)
15 shall be matched with non-Federal funds, through cash
16 or in-kind contributions.