

110TH CONGRESS
1ST SESSION

H. R. 1600

To continue and expand upon previous congressional efforts to ensure an abundant and affordable supply of fruits, vegetables, tree nuts, and other specialty crops for American consumers and international markets, to enhance the competitiveness of United States-grown specialty crops, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 20, 2007

Mr. CARDOZA (for himself, Mr. PUTNAM, Mr. SALAZAR, Mr. LARSEN of Washington, Mr. MCCARTHY of California, Mr. KUHLMAN of New York, Mr. HALL of New York, Mr. WALSH of New York, Mr. HIGGINS, Mr. FARR, Mr. MAHONEY of Florida, Mr. HOEKSTRA, Mr. ALLEN, Ms. KILPATRICK, Ms. SLAUGHTER, Mr. FILNER, Mr. CUMMINGS, Mr. WELCH of Vermont, Mr. CARNAHAN, Mr. BLUMENAUER, Mr. McDERMOTT, Mr. HASTINGS of Washington, Mr. McNERNEY, Mr. NUNES, Mr. RUSH, Mrs. TAUSCHER, Mr. RADANOVICH, Mrs. McMORRIS RODGERS, Ms. WOOLSEY, Ms. HOOLEY, Mr. McHUGH, Mr. COSTA, Mr. BROWN of South Carolina, Mr. DANIEL E. LUNGREN of California, Mr. PERLMUTTER, Mr. SHULER, Ms. LORETTA SANCHEZ of California, Ms. MATSUI, Mr. CUELLAR, Mrs. CAPPS, Ms. KAPTUR, Mr. WU, Mrs. BONO, Mr. McINTYRE, Mr. BARTLETT of Maryland, Mr. BOYD of Florida, Mrs. DRAKE, Ms. ZOE LOFGREN of California, Mr. ISSA, Mr. MARIO DIAZ-BALART of Florida, Mr. WALDEN of Oregon, Mr. GILCHREST, Mr. DELAHUNT, Mr. ARCURI, Mr. REYNOLDS, Mr. THOMPSON of California, Mr. HINCHEY, Mr. COURTNEY, Mr. SIMPSON, Mr. PLATTS, Ms. ROS-LEHTINEN, Mr. SHAYS, Ms. HIRONO, Mr. BARROW, and Mr. CALVERT) introduced the following bill; which was referred to the Committee on Agriculture, and in addition to the Committees on Ways and Means, Education and Labor, Energy and Commerce, and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To continue and expand upon previous congressional efforts to ensure an abundant and affordable supply of fruits, vegetables, tree nuts, and other specialty crops for American consumers and international markets, to enhance the competitiveness of United States-grown specialty crops, and for other purposes.

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

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

4 (a) SHORT TITLE.—This Act may be cited as the
 5 “Equitable Agriculture Today for a Healthy America Act”
 6 or the “EAT Healthy America Act”.

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

- Sec. 1. Short title and table of contents.
- Sec. 2. Findings and purposes.
- Sec. 3. Definitions.

TITLE I—COMMODITY-RELATED PROVISIONS

- Sec. 101. Flexible payment limitations for disaster payments to reflect variations in cost of production and crop value.
- Sec. 102. Adjusted gross income limitations on receipt of disaster assistance by first handlers of specialty crops.
- Sec. 103. Equitable treatment of specialty crop producers in distribution of disaster assistance.
- Sec. 104. Tree assistance program.

TITLE II—CONSERVATION

- Sec. 201. Findings regarding Conservation Security Program.
- Sec. 202. Conservation reserve program.
- Sec. 203. Wetlands reserve program.
- Sec. 204. Funding for Farmland Protection Program.
- Sec. 205. Grassland reserve program.
- Sec. 206. Wildlife habitat incentive program.
- Sec. 207. Environmental quality incentives program.
- Sec. 208. Cooperative conservation partnership initiative.

- Sec. 209. Regional equity in funding of certain Department of Agriculture conservation programs.
- Sec. 210. Integrated pest management initiative.
- Sec. 211. Technical assistance under Department of Agriculture conservation programs.
- Sec. 212. Conservation loan guarantee program.
- Sec. 213. Emergency Conservation Program.
- Sec. 214. Exclusion of payments under Department of Agriculture conservation programs from adjusted gross income limitation.
- Sec. 215. Encouragement of voluntary sustainability practices guidelines.
- Sec. 216. Assistance to address long-term climate change.

TITLE III—TRADE

- Sec. 301. Technical assistance for specialty crops.
- Sec. 302. Coordination of trade objectives between key agencies.
- Sec. 303. Market access program.
- Sec. 304. Grant program for market analysis related to anti-dumping and countervailing duty cases involving specialty crops.
- Sec. 305. Sense of Congress regarding certain antitrust laws applicable to agriculture.

TITLE IV—INVASIVE PESTS AND DISEASES

- Sec. 401. Threat identification and mitigation program.
- Sec. 402. Emergency control, prevention, and eradication programs.
- Sec. 403. Agricultural quarantine inspection activities at ports of entry.
- Sec. 404. Animal and Plant Health Inspection Service Export Division.
- Sec. 405. Consultations on sanitary and phytosanitary restrictions for fruits and vegetables.
- Sec. 406. Multi-species fruit fly research and sterile fly production.
- Sec. 407. Audit-based approach to specialty crop phytosanitary regulation.
- Sec. 408. Early pest detection and surveillance improvement program.

TITLE V—NUTRITION

- Sec. 501. Findings.
- Sec. 502. Expansion of Fresh Fruit and Vegetable Program.
- Sec. 503. Fruit and vegetable nutrition promotion program.
- Sec. 504. Use of “Dietary Guidelines for Americans” in special nutrition programs and school lunch programs.
- Sec. 505. Section 32 specialty crop purchases.
- Sec. 506. School preference study.
- Sec. 507. Independent evaluation of Department of Agriculture commodity purchase process.
- Sec. 508. Amendments to the Food Stamp Program.
- Sec. 509. Sense of the Congress regarding nutritional supplements.
- Sec. 510. Food stamp fruit and vegetable EBT pilot project.
- Sec. 511. Decennial evaluations of WIC food packages.
- Sec. 512. Extension of WIC farmers’ market nutrition program.
- Sec. 513. Senior farmers’ market nutrition program.

TITLE VI—AGRICULTURAL RESEARCH

- Sec. 601. Specialty Crops Economic and Policy Research Institute.
- Sec. 602. Development of specialty crop priority for the National Research Initiative.

- Sec. 603. Establishment of specialty crop research grants program for producers to improve efficiency and competitiveness.
- Sec. 604. National Clean Plant Network.
- Sec. 605. Prioritizing current Federal research activities for specialty crops.

TITLE VII—RENEWABLE ENERGY

- Sec. 701. Inventory of specialty crop biomass waste as part of annual assessment of renewable energy resources.
- Sec. 702. Department of Agriculture bioenergy program.
- Sec. 703. Grants for development of specialty crop bioenergy projects.

TITLE VIII—MISCELLANEOUS PROVISIONS

- Sec. 801. Specialty crop block grants.
- Sec. 802. Federal Insecticide, Fungicide, and Rodenticide Act; requests by State agencies for exemptions.
- Sec. 803. Protection of intellectual property rights in plants and plant-derived material.
- Sec. 804. Grant program to improve transportation infrastructure to reduce cost of transportation of specialty crops.
- Sec. 805. Additional funds for Agricultural Marketing Service specialty crop market news activities.
- Sec. 806. Value-added grants to promote creation, expansion, or operation of value-added processing of specialty crops.
- Sec. 807. Eligibility of laborers admitted for temporary residence for Rural Housing Service farm labor housing.
- Sec. 808. Food safety initiatives.
- Sec. 809. Implementation of food safety programs under marketing orders.
- Sec. 810. Census of specialty crops; dissemination of information.
- Sec. 811. Office of pesticide programs.

1 **SEC. 2. FINDINGS AND PURPOSES.**

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

3 (1) Specialty crop production in the United
 4 States accounts for \$50.8 billion in farmgate value,
 5 and, according to the Economic Research Service of
 6 the Department of Agriculture, specialty crops ac-
 7 count for more than 45 percent of the farmgate
 8 value of all crops produced in the United States.

9 (2) Specialty crop producers deserve a competi-
 10 tive and sustainable environment for specialty crop
 11 production, and the Specialty Crops Competitiveness

1 Act of 2004 (Public Law 108–465; 7 U.S.C. 1621
2 note) represented an initial attempt to ensure the
3 long-term competitiveness and sustainability of
4 United States specialty crop production.

5 (3) Additional Federal investment in the com-
6 petitiveness and sustainability of the United States
7 specialty crop industry will produce a strong return
8 on investment for all of America, not just producers.

9 (4) By expanding the market for and avail-
10 ability of safe, wholesome, healthy, and affordable
11 fruits, vegetables, tree nuts, and other specialty
12 crops, Congress can assist Americans in achieving
13 the goal of doubling their fruit and vegetable con-
14 sumption, as called for in the Department of Agri-
15 culture and Department of Health and Human Serv-
16 ices 2005 Dietary Guidelines.

17 (5) Federal investment in the United States
18 specialty crop industry is required to create a fair
19 and level playing field with international competitors
20 that do not have to comply with the regulatory re-
21 quirements imposed on United States producers in
22 the areas of environmental regulation, labor, food
23 safety, and other area.

1 (6) Without appropriate and adequate assist-
2 ance United States specialty crop production may
3 relocate to less restrictive foreign growing areas.

4 (7) Consumers in United States export markets
5 are increasingly demanding high-value specialty food
6 products as their disposable income rises, and a
7 thriving and competitive United States specialty
8 crop industry will support strong growth in export
9 markets and improve the United States balance of
10 trade.

11 (8) In order to realize the goal of increasing ag-
12 ricultural exports, it is critical that Federal policy
13 and resources support efforts to remove the many
14 existing international trade barriers that continue to
15 hamper United States specialty crop exports.

16 (9) The competitiveness of United States spe-
17 cialty crop producers also depends on maintaining
18 the current restrictions in section 1106 of the Farm
19 Security and Rural Investment Act of 2002 (7
20 U.S.C. 7916) that prohibits the planting of fruits
21 and vegetables and other specialty crops on acres for
22 which a producer receives direct payments or
23 counter-cyclical payments, including not allowing
24 any temporary loss in program benefits as a remedy

1 for one year or other short-term shifts to specialty
2 crops.

3 (b) PURPOSES.—It is the purpose of this Act to build
4 upon the success of the Specialty Crops Competitiveness
5 Act of 2004 (Public Law 108–465; 7 U.S.C. 1621 note)
6 by making additional changes in Federal agriculture policy
7 to accomplish the goals of increasing fruit, vegetable, and
8 tree nut consumption and improving the competitiveness
9 of United States specialty crop producers.

10 **SEC. 3. DEFINITIONS.**

11 In this Act:

12 (1) The term “Secretary” means the Secretary
13 of Agriculture.

14 (2) The term “specialty crop” means fruits and
15 vegetables, tree nuts, dried fruits, nursery crops, flo-
16 riculture, and horticulture.

17 (3) The term “State” means the several States,
18 the District of Columbia, and the Commonwealth of
19 Puerto Rico.

1 **TITLE I—COMMODITY-RELATED**
2 **PROVISIONS**

3 **SEC. 101. FLEXIBLE PAYMENT LIMITATIONS FOR DISASTER**
4 **PAYMENTS TO REFLECT VARIATIONS IN COST**
5 **OF PRODUCTION AND CROP VALUE.**

6 (a) FLEXIBLE PAYMENT LIMITATIONS.—In lieu of
7 using a single, specific dollar amount limitation on the
8 total amount of disaster assistance that a producer of spe-
9 cialty crops may receive under any provision of law, the
10 Secretary of Agriculture shall develop and use a series of
11 payment limitations that reflect cost-of-production and
12 crop value variations.

13 (b) USE OF FARM SERVICE AGENCY DATA.—To de-
14 velop the payment variations range required by subsection
15 (a), the Secretary of Agriculture may use the most rel-
16 evant data maintained by the Department of Agriculture
17 and federally funded institutions, such as land grant col-
18 leges and universities, in the State or region where the
19 disaster occurred regarding cost of production and crop
20 value for various agricultural enterprises.

21 (c) APPLICABILITY.—The flexible payment limita-
22 tions required by subsection (a) shall apply on a perma-
23 nent basis with respect to any natural disaster occurring
24 after the date of the enactment of this Act for which dis-
25 aster assistance is provided by the Secretary of Agri-

1 culture under any provision of law to producers of spe-
2 cialty crops.

3 **SEC. 102. ADJUSTED GROSS INCOME LIMITATIONS ON RE-**
4 **CEIPT OF DISASTER ASSISTANCE BY FIRST**
5 **HANDLERS OF SPECIALTY CROPS.**

6 (a) CHANGE TO APPLICATION OF LIMITATIONS.—
7 For purposes of applying the adjusted gross income limita-
8 tions on the receipt of disaster assistance to a first handler
9 of specialty crops, the Secretary of Agriculture shall treat
10 income derived by the first handler from the initial prepa-
11 ration of the specialty crops for marketing and the mar-
12 keting of the specialty crops as income derived from a
13 farming operation.

14 (b) FIRST HANDLER DEFINED.—In this section, the
15 term “first handler” means a person who—

16 (1) receives or otherwise acquires specialty
17 crops from a producer and prepares for marketing
18 or markets the specialty crops; or

19 (2) prepares for marketing and markets spe-
20 cialty crops produced by the person.

1 **SEC. 103. EQUITABLE TREATMENT OF SPECIALTY CROP**
2 **PRODUCERS IN DISTRIBUTION OF DISASTER**
3 **ASSISTANCE.**

4 In providing disaster assistance to producers suf-
5 fering losses due to natural disasters, the Secretary of Ag-
6 riculture shall seek to ensure that—

7 (1) producers of specialty crops receive assist-
8 ance through programs that are designed to meet
9 the specific needs of such producers and reflect the
10 production practices of such producers; and

11 (2) eligibility for assistance and the provision of
12 assistance is not be tied to traditional programs of
13 the Department of Agriculture, such as direct pay-
14 ments under section 1103 or 1303 of the Farm Se-
15 curity and Rural Investment Act of 2002 (7 U.S.C.
16 7913, 7953) or crop insurance.

17 **SEC. 104. TREE ASSISTANCE PROGRAM.**

18 (a) INCLUSION OF NURSERY TREE GROWERS.—

19 (1) ELIGIBILITY.—Section 10201 of the Farm
20 Security and Rural Investment Act of 2003 (7
21 U.S.C. 8201) is amended—

22 (A) by redesignating paragraphs (3) and
23 (4) as paragraphs (4) and (5), respectively; and

24 (B) by inserting after paragraph (2) the
25 following new paragraph:

1 “(3) NURSERY TREE GROWER.—The term
2 ‘nursery tree grower’ means a person who produces
3 nursery, ornamental, fruit, nut, or Christmas trees
4 for commercial sale.”.

5 (2) CONFORMING AMENDMENTS.—Subtitle C of
6 title X of such Act is amended—

7 (A) in section 10202 (7 U.S.C. 8202)—

8 (i) in subsection (a), by inserting
9 “and nursery tree growers” after “eligible
10 orchardists”; and

11 (ii) in subsection (b), by inserting “or
12 nursery tree grower” after “eligible or-
13 chardist”; and

14 (B) in section 10203 (7 U.S.C. 8203), by
15 inserting “and nursery tree growers” after “eli-
16 gible orchardists”.

17 (b) INCREASE IN AUTHORIZED AMOUNT OF ASSIST-
18 ANCE.—Section 10204(a) of such Act is amended by strik-
19 ing “\$75,000” and inserting “\$150,000 per year”.

20 (c) FUNDING.—Section 10205 of such Act is amend-
21 ed by adding at the end the following new sentence: “In
22 addition to amounts appropriated to carry out this section,
23 the Secretary shall use \$75,000,000 of funds of the Com-
24 modity Credit Corporation to carry out this subtitle during
25 fiscal years 2008 through 2012.”.

1 (d) APPLICABILITY.—The amendments made by this
2 section shall apply with respect to any natural disaster oc-
3 ccurring after the date of the enactment of this Act for
4 which assistance is provided by the Secretary of Agri-
5 culture under the tree assistance program.

6 **TITLE II—CONSERVATION**

7 **SEC. 201. FINDINGS REGARDING CONSERVATION SECURITY** 8 **PROGRAM.**

9 Congress makes the following findings:

10 (1) Specialty crop producers and other agricul-
11 tural producers in the United States require a sig-
12 nificant new investment in voluntary conservation in-
13 centives programs in order to ensure that producers
14 are rewarded when they take steps to produce clean-
15 er air, cleaner water, important wildlife habitat, and
16 other environmental benefits for the public.

17 (2) The expansion and improvement of the con-
18 servation programs authorized and amended by title
19 II of the Farm Security and Rural Investment Act
20 of 2002 (Public Law 107–171) should include the
21 expansion of the Conservation Security Program
22 under subchapter A of chapter 2 of subtitle D of
23 title XII of the Food Security Act of 1985 (16
24 U.S.C. 3838 et seq.) so that producers have an op-
25 portunity to enroll in a program that is more equi-

1 table and predictable than the current system, under
2 which only a few watersheds are eligible each fiscal
3 year.

4 (3) The Conservation Security Program holds
5 tremendous promise as a program that can help pro-
6 ducers effectively address priority resources of con-
7 cern, but the program must be improved and better
8 implemented in order to fulfill that promise.

9 (4) States must have the authority, with appro-
10 priate national guidance, to select priority “re-
11 sources of concern,” as currently defined by the
12 Natural Resources Conservation Service, for specific
13 areas within the State, and program payments
14 should focus more on rewarding management inten-
15 sity and the degree to which a producer addresses
16 resources of concern.

17 (5) In order to ensure that the Conservation
18 Security Program is an effective tool in helping pro-
19 ducers improve environmental quality, there must be
20 a better balance between rewarding a producer’s ex-
21 isting level of resource stewardship and creating
22 strong incentives for producers to implement addi-
23 tional practices and measures to improve environ-
24 mental performance.

1 (6) In general, the Conservation Security Pro-
 2 gram should do a better job of helping producers en-
 3 hance habitat for wildlife, particularly rare, threat-
 4 ened, endangered and candidate species.

5 (7) When the Conservation Security Program is
 6 used to address wildlife, it should be implemented to
 7 further the goals and objectives of the State com-
 8 prehensive wildlife strategy.

9 (8) It is critical that the Conservation Security
 10 Program provide adequate technical assistance to
 11 producers who need help applying to the program
 12 and implementing their contracts.

13 **SEC. 202. CONSERVATION RESERVE PROGRAM.**

14 (a) EXTENSION OF PROGRAM.—Section 1231 of the
 15 Food Security Act of 1985 (16 U.S.C. 3831) is amend-
 16 ed—

17 (1) in subsection (a), by striking “2007” and
 18 inserting “2012”;

19 (2) in subsection (d)(1), by striking “2007”
 20 and inserting “2012”;

21 (3) in subsection (e)(3), by striking “2002” and
 22 inserting “2008”; and

23 (4) in subsection (h)(1), by striking “2007”
 24 and inserting “2012”.

1 (b) ELIGIBLE LAND.—Section 1231(b) of such Act
2 (16 U.S.C. 3831(b)) is amended—

3 (1) by striking the period at the end of para-
4 graph (1) and inserting a semicolon;

5 (2) in paragraph (4), by striking “or” at the
6 end of subparagraph (C);

7 (3) by striking the period at the end of para-
8 graph (5) and inserting “; or”; and

9 (4) by adding at the end the following new
10 paragraph:

11 “(6) marginal pasture land or hay land that is
12 otherwise ineligible, if the land is to be devoted to
13 native vegetation appropriate to the locale and—

14 “(A) will provide suitable habitat for State
15 or federally listed threatened or endangered
16 species or species determined by the Secretary
17 of the Interior to be species of concern; or

18 “(B) will contribute to the restoration of a
19 critically endangered ecosystem or endangered
20 ecosystem, as defined by the Secretary.”.

21 (c) USE OF GENERAL SIGNUP PROCESS.—Section
22 1231(d) of such Act (16 U.S.C. 3831(d)) is amended by
23 adding at the end the following new sentence: “To the
24 maximum extent practicable, the Secretary shall ensure
25 that not more than 85 percent of the acres maintained

1 in the conservation reserve at any 1 time during the 2008
2 through 2012 calendar years are acres that were enrolled
3 through general signup under section 1234(c)(2)(A).”.

4 (d) DUTIES OF PARTICIPANTS.—Section 1232(a) of
5 such Act (16 U.S.C. 3832(a)) is amended—

6 (1) in paragraph (4)—

7 (A) by redesignating subparagraphs (A)
8 and (B) as subparagraphs (B) and (C), respec-
9 tively; and

10 (B) by inserting before subparagraph (B),
11 as so redesignated, the following new subpara-
12 graph:

13 “(A) approved vegetative cover shall not
14 include vegetative cover inappropriate to the lo-
15 cale;”;

16 (2) by redesignating paragraphs (5) through
17 (10) as paragraphs (6) through (11); respectively;

18 (3) by inserting after paragraph (4) the fol-
19 lowing new paragraph:

20 “(5) to undertake appropriate management ac-
21 tivities on the land, including any necessary haying
22 and grazing activities, as needed throughout the
23 term of the contract to achieve the purposes of the
24 conservation reserve program;”;

1 (4) in subparagraph (A)(i)(II) of paragraph (8),
2 as redesignated by paragraph (2), by inserting after
3 “may be conducted” the following: “, taking into ac-
4 count grassland types and species, location, weather
5 conditions, threats posed by invasive species in the
6 locale, and other factors that determine to what ex-
7 tent harvesting and grazing activities will advance
8 the conservation purposes of the program”.

9 (e) CONSERVATION PLAN.—Section 1232(b)(1)(A) of
10 such Act (16 U.S.C. 3832(b)(1)(A)) is amended by insert-
11 ing before the semicolon at the end the following: “, in-
12 cluding appropriate management activities required by
13 subsection (a)(5)”.

14 (f) COST-SHARE AND MANAGEMENT ASSISTANCE.—
15 Section 1234(b) of such Act (16 U.S.C. 3834(b)) is
16 amended—

17 (1) in paragraph (1), by inserting before the pe-
18 riod at the end the following: “, except that the Sec-
19 retary shall pay 75 percent of the cost of estab-
20 lishing measures and practices that will benefit a
21 federally or State listed threatened or endangered
22 species required under a contract entered into under
23 this subchapter”; and

24 (2) by adding at the end the following new
25 paragraph:

1 “(6) MANAGEMENT COSTS.—The Secretary
2 shall pay 75 percent of the cost of management ac-
3 tivities, including control of invasive species, re-
4 quired under a contract entered into under this sub-
5 chapter.”.

6 (g) WILDLIFE CRITERIA.—Section 1234(c)(3)(B) of
7 such Act (16 U.S.C. 3834(c)(3)(B)) is amended by insert-
8 ing before the period the following: “, taking into consider-
9 ation the recommendations of States concerning species
10 or ecosystems that are State priorities for recovery or res-
11 toration”.

12 (h) RARE AND DECLINING HABITAT.—Section
13 1234(c) of such Act (16 U.S.C. 3834(c)) is amended by
14 adding at the end the following new paragraph:

15 “(5) RARE AND DECLINING HABITAT.—The
16 Secretary may approve a request by a State to es-
17 tablish continuous enrollment categories for rare and
18 declining habitat in specific areas of the State to
19 benefit specific State or federally listed threatened
20 or endangered species.”.

21 (i) RENTAL PAYMENT LIMITATIONS.—Section
22 1234(f) of such Act (16 U.S.C. 3834(f)) is amended—
23 (1) in paragraph (1), by inserting before the pe-
24 riod at the end the following: “, except that the Sec-
25 retary may waive this payment limitation for persons

1 participating in a conservation reserve enhancement
 2 program or cooperative conservation project if the
 3 Secretary determines such a waiver is necessary to
 4 achieve the objectives of the conservation reserve en-
 5 hancement program or project”; and

6 (2) in paragraph (4), by adding at the end the
 7 following new subparagraph:

8 “(C) IRRIGATED LAND.—In determining
 9 the amount of annual rental payments for own-
 10 ers and operators seeking to enroll irrigated
 11 land in a conservation reserve enhancement
 12 program, the Secretary shall consider the aver-
 13 age rental rate for irrigated land in the area.”.

14 **SEC. 203. WETLANDS RESERVE PROGRAM.**

15 (a) MAXIMUM ENROLLMENT.—Section 1237(b)(1) of
 16 the Food Security Act of 1985 (16 U.S.C. 3837(b)(1))
 17 is amended—

18 (1) by striking “2,275,000 acres” and inserting
 19 “5,000,000 acres”; and

20 (2) by striking “250,000 acres” and inserting
 21 “320,000 acres”.

22 (b) RIPARIAN AREAS.—Section 1237(d) of such Act
 23 (16 U.S.C. 3837(d)) is amended by striking paragraph (3)
 24 and inserting the following new paragraph:

25 “(3) riparian areas.”.

1 (c) WETLAND EASEMENT CONSERVATION PLAN.—
2 Section 1237A(b)(3) of such Act (16 U.S.C. 3837a(b)(3))
3 is amended by inserting before the semicolon at the end
4 the following: “, including activities necessary to maintain
5 hydrologic, habitat, and other functional values”.

6 (d) COST-SHARE AND MANAGEMENT ASSISTANCE.—
7 Section 1237C of such Act (16 U.S.C. 3837c) is amend-
8 ed—

9 (1) in subsection (a)(1), by inserting “including
10 necessary hydrologic and habitat maintenance activi-
11 ties,” after “values,”; and

12 (2) in subsection (b), by adding at the end the
13 following new paragraph:

14 “(4) MANAGEMENT COSTS.—The Secretary
15 may make payments to owners to cover up to the
16 full actual cost of undertaking any ongoing or peri-
17 odic management activities necessary to maintain
18 the hydrologic, habitat, and other functional values
19 of wetland enrolled in the wetlands reserve pro-
20 gram.”.

21 (e) EASEMENT PRIORITY AND STATE ALLOCA-
22 TION.—Section 1237C of such Act (16 U.S.C. 3837c) is
23 amended—

24 (1) in subsection (d), by striking “wildlife.” and
25 inserting “wildlife, particularly rare, threatened, en-

1 dangered, or candidate species for furthering the
 2 goals and objectives of the State comprehensive wild-
 3 life conservation strategy, or improving water qual-
 4 ity.”; and

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

7 “(e) ALLOCATION TO STATES.—In making alloca-
 8 tions to States to carry out this subchapter, the Secretary
 9 shall consider to what degree each State gives priority—

10 “(1) to protecting and restoring habitat for mi-
 11 gratory birds and other wildlife, particularly rare
 12 species, including threatened, endangered, and can-
 13 didate species;

14 “(2) to furthering the goals and objectives of
 15 the State comprehensive wildlife conservation strat-
 16 egy; and

17 “(3) to improving water quality.”.

18 (f) CONFORMING AMENDMENT.—Section 1237(c) of
 19 such Act (16 U.S.C. 3837(c)) is amended by striking
 20 “2007” and inserting “2012”.

21 **SEC. 204. FUNDING FOR FARMLAND PROTECTION PRO-**
 22 **GRAM.**

23 Paragraph (4) of subsection (a) of section 1241 of
 24 the Food Security Act of 1985 (16 U.S.C. 3841) is
 25 amended to read as follows:

1 “(4) The farmland protection program under
2 subchapter B of chapter 2, using \$300,000,000 in
3 each of fiscal years 2008 through 2012.”.

4 **SEC. 205. GRASSLAND RESERVE PROGRAM.**

5 (a) EXTENSION AND FUNDING.—Paragraph (5) of
6 section 1241(a) of the Food Security Act of 1985 (16
7 U.S.C. 3841(a)) is amended to read as follows:

8 “(5) The grassland reserve program under sub-
9 chapter C of chapter 2.”.

10 (b) ANNUAL ENROLLMENT LEVELS AND PRIORITY
11 FOR LONG-TERM CONTRACTS.—Subsection (b) of section
12 1238N of such Act (16 U.S.C. 3838n) is amended—

13 (1) by striking paragraph (1) and inserting the
14 following new paragraph:

15 “(1) ANNUAL ENROLLMENT LEVELS.—To the
16 maximum extent practicable, the Secretary shall en-
17 roll in the grassland reserve program—

18 “(A) 1,000,000 acres in calendar year
19 2008;

20 “(B) 1,500,000 acres in calendar year
21 2009;

22 “(C) 2,000,000 acres in calendar year
23 2010;

24 “(D) 2,500,000 acres in calendar year
25 2011; and

1 “(E) 3,000,000 acres in calendar year
 2 2012 and each calendar year thereafter.”; and
 3 (2) by striking paragraph (3) and inserting the
 4 following new paragraph:

5 “(3) PRIORITY FOR LONG-TERM AGREEMENTS
 6 AND EASEMENTS.—Of the total number of acres en-
 7 rolled in the program at any one time through the
 8 methods described in paragraph (2)(A), the Sec-
 9 retary shall ensure that at least 60 percent of the
 10 acres were enrolled through the use of 30-year rental
 11 agreements and permanent and long-term easements
 12 described in clause (ii) of such paragraph.”.

13 (c) ENROLLMENT OF CONSERVATION RESERVE PRO-
 14 GRAM LAND.—Section 1238N of such Act (16 U.S.C.
 15 3838n) is amended by adding at the end the following new
 16 subsection:

17 “(d) ENROLLMENT OF CONSERVATION RESERVE
 18 PROGRAM LAND.—

19 “(1) ENROLLMENT AUTHORIZED.—Subject to
 20 the eligibility requirements of subsection (c) and all
 21 other requirements of this subchapter, land enrolled
 22 in the conservation reserve program may be enrolled
 23 in the grassland reserve program if the Secretary de-
 24 termines that the land is of high ecological value and
 25 under significant threat of conversion to other uses.

1 “(2) MAXIMUM ENROLLMENT.—The number of
2 acres of conservation reserve program land enrolled
3 under this subsection in a calendar year shall not ex-
4 ceed 10 percent of the total number of acres enrolled
5 in the grassland reserve program in that calendar
6 year.

7 “(3) PROHIBITION ON DUPLICATION OF PAY-
8 MENTS.—Land enrolled in the program under this
9 subsection shall no longer be eligible for payments
10 under the conservation reserve program.”.

11 (d) BIODIVERSITY AND ALLOCATIONS.—Section
12 1238O of such Act (16 U.S.C. 3838o) is amended—

13 (1) redesignating subsection (d) as subsection
14 (f); and

15 (2) by inserting after subsection (c) the fol-
16 lowing new subsections:

17 “(d) BIODIVERSITY.—In emphasizing support for
18 biodiversity consistent with the requirements of subsection
19 (c), the Secretary shall give priority to agreements and
20 easements that protect and restore habitat for rare,
21 threatened, endangered, and candidate species.

22 “(e) ALLOCATIONS.—In making allocations to States
23 to carry out this subchapter, the Secretary shall con-
24 sider—

1 “(1) to what extent the State evaluates and
2 ranks applications for easements and agreements
3 consistent with the requirements of subsection (c);

4 “(2) the total number of acres of grassland in
5 the State that are under threat of conversion to
6 other uses, including conversion to more intensive
7 agricultural use as well as conversion to non-
8 agricultural use;

9 “(3) the total number of acres of grassland in
10 the State that provide important habitat for feder-
11 ally listed threatened or endangered species and
12 other wildlife species of concern;

13 “(4) to what extent the State implements the
14 program to ensure that, to the maximum extent
15 practicable, the program results in the conservation
16 of large tracts of contiguous grasslands; and

17 “(5) to what extent the State prioritizes enroll-
18 ment of grasslands that are adjacent to other land
19 under permanent protection, such as State or Fed-
20 eral land or land covered by a conservation ease-
21 ment.”.

22 (e) USE OF PRIVATE ORGANIZATIONS OR STATE
23 AGENCIES.—Section 1238Q of such Act (16 U.S.C.
24 3838q) is amended—

1 (1) by striking subsection (a) and inserting the
2 following new subsection:

3 “(a) **AUTHORITY TO USE PRIVATE ORGANIZATIONS**
4 **OR STATES.**—The Secretary may permit a private con-
5 servation or land trust organization (referred to in this
6 section as a ‘private organization’) or a State agency to
7 own, write, and enforce an easement under this sub-
8 chapter, in lieu of the Secretary, subject to the right of
9 the Secretary to conduct periodic inspections and enforce
10 the easement, if—

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

14 “(2) the owner authorizes the private organiza-
15 tion or State agency to hold and enforce the ease-
16 ment; and

17 “(3) the private organization or State agency
18 agrees to assume the costs incurred in administering
19 and enforcing the easement, including the costs of
20 restoration or rehabilitation of the land as specified
21 by the owner and the private organization or State
22 agency.”;

23 (2) in subsection (b), by striking “hold” and in-
24 serting “own, write,”;

1 (3) in subsection (c), by striking “hold” and in-
2 serting “own, write,”; and

3 (4) by striking subsection (d) and inserting the
4 following new subsections:

5 “(d) PROHIBITIONS ON LIMITATIONS.—Notwith-
6 standing any provision of State law to the contrary, a con-
7 servation easement held by the United States, held by a
8 private organization under this section, or held by its suc-
9 cessors or assigns under this section shall not be limited
10 in duration or scope or be defeasible by—

11 “(1) the conservation easement being in gross
12 or appurtenant;

13 “(2) the management of the conservation ease-
14 ment having been delegated or assigned to a non-
15 Federal entity; or

16 “(3) any requirement under State law for re-
17 recordation or renewal of the easement.

18 “(e) RULE OF CONSTRUCTION.—Notwithstanding
19 any provision of State law to the contrary, a conservation
20 easement shall be construed to effectuate the Federal pur-
21 poses for which the conservation easement was acquired
22 and, in interpreting the terms of the conservation ease-
23 ment, there shall be no presumption favoring the conserva-
24 tion easement holder or fee owner.

25 “(f) REASSIGNMENT.—

1 “(1) REASSIGNMENT REQUIRED.—If a private
2 organization holding an easement on land under this
3 subchapter terminates, the owner of the land subject
4 to the easement shall reassign, not later than 30
5 days after termination of the private organization,
6 the easement—

7 “(A) to another private organization ap-
8 proved by the Secretary; or

9 “(B) to the Secretary.

10 “(2) NOTIFICATION OF SECRETARY.—If an
11 easement is reassigned to another private organiza-
12 tion under paragraph (1), the owner and the new or-
13 ganization shall notify the Secretary in writing, not
14 later than 60 days after the date of reassignment,
15 that the reassignment has been made. If the notifi-
16 cation is not provided, the easement shall revert to
17 the control of the Secretary.”.

18 (f) SPECIAL GRASSLANDS RESERVE ENHANCEMENT
19 PROGRAM.—Subchapter C of chapter 2 of subtitle D of
20 title XII of the Food Security Act of 1985 is amended
21 by inserting after section 1238Q (16 U.S.C. 3838q) the
22 following new section:

1 **“SEC. 1238R. GRASSLANDS RESERVE ENHANCEMENT PRO-**
 2 **GRAM.**

3 “The Secretary may enter into such agreements for
 4 payments to States, including political subdivisions and
 5 agencies of States, that the Secretary determines will ad-
 6 vance the purposes of the grassland reserve program. Sec-
 7 tion 1305(d) of the Agricultural Reconciliation Act of
 8 1987 (Public Law 100–203; 7 U.S.C. 1308 note) does not
 9 apply to payments received by a State or political subdivi-
 10 sion or agency thereof in connection with such an agree-
 11 ment.”.

12 **SEC. 206. WILDLIFE HABITAT INCENTIVE PROGRAM.**

13 (a) EXTENSION AND FUNDING.—Section 1241(a)(7)
 14 of the Food Security Act of 1985 (16 U.S.C. 3841(a)(7))
 15 is amended by striking subparagraphs (A) through (D)
 16 and inserting the following new subparagraphs:

17 “(A) \$100,000,000 in fiscal year 2008;

18 “(B) \$140,000,000 in fiscal year 2009;

19 “(C) \$200,000,000 in each of fiscal years
 20 2010 and 2011; and

21 “(D) \$300,000,000 in fiscal year 2012.”.

22 (b) LONG-TERM AGREEMENTS AND CONTRACTS.—
 23 Subsection (b)(2) of section 1240N of such Act (16 U.S.C.
 24 3839bb–1) is amended—

25 (1) in subparagraph (A), by striking “in addi-
 26 tion to amounts provided under paragraph (1)” and

1 inserting “in an amount up to 100 percent of the ac-
2 tual cost of any practice required by the agreement
3 or contract”; and

4 (2) in subparagraph (B), by striking “not more
5 than 15 percent” and inserting “25 percent”.

6 (c) INCENTIVE PAYMENTS AND PROGRAM PRIOR-
7 ITIES.—Section 1240N of such Act (16 U.S.C. 3839bb-
8 1) is amended by adding at the end the following new sub-
9 sections:

10 “(d) INCENTIVE PAYMENTS FOR AGREEMENTS BEN-
11 EFITTING LISTED SPECIES.—In a case in which the Sec-
12 retary enters into an agreement or contract to protect and
13 restore habitat for a federally or State-listed endangered,
14 threatened, or candidate species, the Secretary may pro-
15 vide incentive payments to landowners to protect and re-
16 store the habitat, including the cost of management activi-
17 ties needed during the term of the agreement or contract.

18 “(e) PRIORITIES.—In carrying out this section, the
19 Secretary shall give priority to agreements and contracts
20 that—

21 “(1) protect and restore habitat for rare,
22 threatened, endangered, and candidate species; or

23 “(2) further the goals and objectives of the
24 State comprehensive wildlife conservation strategy.

1 “(f) ALLOCATIONS.—In making allocations to States
2 to carry out this chapter, the Secretary shall consider to
3 what degree each State—

4 “(1) gives priority to the protection and res-
5 toration of habitat for rare, threatened, endangered,
6 and candidate species and for furtherance of the
7 State comprehensive wildlife conservation strategy
8 under subsection (e); and

9 “(2) complies with the wildlife action plan for
10 the State under subsection (f).

11 “(g) COOPERATIVE AGREEMENTS.—To the max-
12 imum extent practicable, the Secretary shall enter into co-
13 operative agreements with State wildlife and natural re-
14 sources agencies to implement this section, including deliv-
15 ery of technical assistance.”.

16 **SEC. 207. ENVIRONMENTAL QUALITY INCENTIVES PRO-**
17 **GRAM.**

18 (a) EXTENSION.—

19 (1) FUNDING EXTENSION AND INCREASE.—
20 Section 1241(a) of the Food Security Act of 1985
21 (16 U.S.C. 3841(a)) is amended by striking para-
22 graph (6) and inserting the following new para-
23 graph:

“(6) The environmental quality incentives program under chapter 4, using, to the maximum extent practicable—

“(A) \$1,400,000,000 in fiscal year 2008;

“(B) \$1,600,000,000 in fiscal year 2009;

“(C) \$1,800,000,000 in each of fiscal years 2010 and 2011; and

“(D) \$2,000,000,000 in fiscal year 2012.”.

(2) CONFORMING AMENDMENTS.—Chapter 4 of subtitle D of title XII of such Act is amended—

(A) in section 1240B(a)(1) (16 U.S.C. 3839aa–2(a)(1)), by striking “2007” and inserting “2012”; and

(B) in subsection 1240G (16 U.S.C. 3839aa–7), by striking “2007” and inserting “2012”.

(b) DEMONSTRATION OF STRUCTURAL AND LAND MANAGEMENT PRACTICES.—

(1) ELIGIBILITY.—Section 1240B(a)(2) of the Food Security Act of 1985 (16 U.S.C. 3839aa–(a)(2)) is amended—

(A) by striking “and” at the end of subparagraph (A);

(B) by striking the period at the end of subparagraph (B) and inserting “; and”; and

1 (C) by adding at the end the following new
2 subparagraph:

3 “(C) a producer that demonstrates a struc-
4 tural or land management practice, including
5 project monitoring, measurement, outreach, or
6 education shall be eligible to receive cost-share
7 or incentive payments.”.

8 (2) CONFORMING AMENDMENTS.—(A) Section
9 1240(3) of such Act (16 U.S.C. 3839aa(3)) is
10 amended by striking “and maintain” and inserting
11 “, maintain, and demonstrate”.

12 (B) Section 1240F(1) of such Act (16 U.S.C.
13 3839aa–6(1)) is amended by striking “and imple-
14 menting” and inserting “, implementing, or dem-
15 onstrating”.

16 (c) PREDATOR DETERRENCE.—Section 1240B(a) of
17 the Food Security Act of 1985 (16 U.S.C. 3839aa–(a))
18 is amended by adding at the end the following paragraph:

19 “(3) PREDATOR DETERRENCE.—A producer
20 that implements practices or other measures as part
21 of a system of proactive predator deterrence for
22 large carnivores, including the use of range riders,
23 removal of carcasses, and installation of electric
24 fencing around calving areas, shall be eligible to re-

1 ceive cost-share or incentive payments under this
2 chapter.”.

3 (d) BIDDING DOWN.—Section 1240B(c) of the Food
4 Security Act of 1985 (16 U.S.C. 3839aa–2(c)) is amended
5 by inserting before the period at the end the following:
6 “, except that this prohibition does not relieve the Sec-
7 retary of the obligation to ensure that cost-effectiveness
8 is prioritized in the evaluation of offers and payments, as
9 provided by section 1240C(1)”.

10 (e) INCENTIVE PAYMENT RATES.—Section 1240B(e)
11 of the Food Security Act of 1985 (16 U.S.C. 3839aa–
12 2(e)(2)) is amended—

13 (1) in paragraph (1), by adding at the end the
14 following new sentence: “The Secretary shall estab-
15 lish different rates to accommodate variation in the
16 cost of practices and product value.”; and

17 (2) by adding at the end the following new
18 paragraph:

19 “(3) RATES FOR COMPONENT PRACTICES.—The
20 Secretary shall develop additional incentive payment
21 rates for components of a practice that promotes
22 residue, nutrient, pest, invasive species, or air qual-
23 ity management. The amount and rate of incentive
24 payments for a component practice shall be scaled
25 according to the anticipated level of impact of that

1 practice on the priority resource concerns, such that
 2 more advanced management practices that yield
 3 greater environmental benefit will receive higher
 4 payments.”.

5 (f) ALLOCATION OF FUNDING.—Section 1240B(g) of
 6 the Food Security Act of 1985 (16 U.S.C. 3839aa–2(g))
 7 is amended by adding at the end the following new sen-
 8 tence: “When making initial allocations of funds to States
 9 to make cost-share and incentive payments under this
 10 chapter, the Secretary shall consider to what degree pro-
 11 ducers in each State are under pressure to comply with
 12 existing local, State, or Federal environmental regulations,
 13 or may have to comply with such regulations in the fu-
 14 ture.”.

15 (g) EVALUATION OF APPLICATIONS FOR COST-
 16 SHARE PAYMENTS AND INCENTIVE PAYMENTS.—Section
 17 1240C of the Food Security Act of 1985 (16 U.S.C.
 18 3839aa–3) is amended to read as follows:

19 **“SEC. 1240C. EVALUATION OF APPLICATIONS FOR COST-**
 20 **SHARE PAYMENTS AND INCENTIVE PAY-**
 21 **MENTS.**

22 “(a) PRIORITIES AND CRITERIA.—In evaluating ap-
 23 plications for cost-share payments and incentive pay-
 24 ments, the Secretary shall—

1 “(1) prioritize applications based on how effec-
2 tively and comprehensively designated resource con-
3 cerns are addressed;

4 “(2) prioritize applications based on their over-
5 all level of cost-effectiveness to ensure that the con-
6 servation practices, systems, and approaches pro-
7 posed are the most efficient means of producing the
8 proposed project’s anticipated environmental bene-
9 fits;

10 “(3) reward higher levels of environmental per-
11 formance, such as advanced levels of management
12 within management practices; and

13 “(4) develop criteria for evaluating applications
14 that will ensure that national, State, and local con-
15 servation priorities are effectively addressed.

16 “(b) WILDLIFE.—In evaluating applications for cost-
17 share payments and incentive payments related to projects
18 intended primarily to improve wildlife habitat, the Sec-
19 retary, in addition to meeting the requirements of sub-
20 section (a), shall give priority to applications that protect
21 and restore habitat for rare, threatened, endangered, and
22 candidate species or further the goals and objectives of
23 the State comprehensive wildlife conservation strategy.”.

1 (h) SUPPORT FOR PROGRAM PLANS.—Section 1240F
2 of the Food Security Act of 1985 (16 U.S.C. 3839aa–6)
3 is amended—

4 (1) by striking “and” at the end of paragraph
5 (1);

6 (2) by striking the period at the end of para-
7 graph (2) and inserting “; and”; and

8 (3) by adding at the end the following new
9 paragraph:

10 “(3) developing partnerships with other agen-
11 cies and contracting with technical assistance pro-
12 viders to supplement Department expertise and
13 staffing capacity as necessary.”.

14 (i) CONSERVATION INNOVATION GRANTS.—Section
15 1240H of the Food Security Act of 1985 (16 U.S.C.
16 3839aa–8) is amended—

17 (1) in subsection (a), by striking “may” and in-
18 serting “shall”;

19 (2) in subsection (b)—

20 (A) by striking “may” and inserting
21 “shall”;

22 (B) in paragraph (2)—

23 (i) by striking “and” at the end of
24 subparagraph (A); and

1 (ii) by adding at the end the following
 2 new subparagraph:

3 “(C) alternative energy projects, such as
 4 solar and wind power energy systems and con-
 5 version of equipment to run on bio-fuels, to re-
 6 duce greenhouse gas emissions and reliance on
 7 fossil fuels in farm operations;”.

8 (C) by striking the period at the end of
 9 paragraph (3) and inserting “; and”; and

10 (D) by adding at the end the following new
 11 paragraph:

12 “(4) include a plan for technology transfer.”;

13 (3) by adding at the end the following new sub-
 14 sections:

15 “(d) TECHNOLOGY TRANSFER.—To the maximum
 16 extent practicable, the Secretary shall ensure efficient, ef-
 17 fective transfer of innovative technologies and approaches
 18 demonstrated through projects that receive funding under
 19 this section.

20 “(e) FUNDING.—Of the amounts made available
 21 under section 1241(a)(6) to carry out this chapter, the
 22 Secretary shall use to carry out this section—

23 “(1) \$40,000,000 for fiscal year 2008;

24 “(2) \$50,000,000 for fiscal year 2009;

25 “(3) \$60,000,000 for fiscal year 2010; and

1 “(4) \$75,000,000 for each of fiscal years 2011
2 and 2012.”.

3 (j) FUNDING UNDER GROUND AND SURFACE WATER
4 CONSERVATION PROGRAM.—Section 1240I of the Food
5 Security Act of 1985 (16 U.S.C. 3839aa–9) is amended
6 by striking subsection (c) and inserting the following new
7 subsection:

8 “(b) FUNDING.—The Secretary shall use
9 \$100,000,000 of the funds of the Commodity Credit Cor-
10 poration to carry out this section for each of fiscal years
11 2008 through 2012. These funds are in addition to
12 amounts made available under section 1241(a)(6) to carry
13 out this chapter.”.

14 (k) AIR QUALITY IMPROVEMENT AND PERFORMANCE
15 INCENTIVES FOR STATES.—Chapter 4 of subtitle D of
16 title XII of such Act is amended by adding at the end
17 the following new sections:

18 **“SEC. 1240J. AIR QUALITY IMPROVEMENT.**

19 “(a) AVAILABILITY OF COST-SHARE PAYMENTS AND
20 INCENTIVE PAYMENTS.—In carrying out this chapter, the
21 Secretary shall promote air quality by providing cost-share
22 payments and incentive payments to individual producers
23 to address air quality concerns associated with agriculture.

24 “(b) ELIGIBLE PRACTICES, COST-SHARE.—

1 “(1) REDUCTION OF EMISSIONS OF CRITERIA
2 POLLUTANTS AND AIRBORNE TOXINS.—In addition
3 to practices eligible for cost-share payments under
4 this chapter, the Secretary shall provide cost-share
5 payments to producers under this section for mobile
6 or stationary equipment, including engines, used in
7 an agricultural operation that will reduce emissions
8 of criteria pollutants and airborne toxins.

9 “(2) CONSIDERATIONS.—In evaluating applica-
10 tions for cost-share assistance for equipment de-
11 scribed in paragraph (1), the Secretary shall
12 prioritize assistance for equipment that—

13 “(A) is the most cost-effective in address-
14 ing air quality concerns; and

15 “(B) will assist producers in meeting State
16 or local regulatory requirements related to air
17 quality.

18 “(c) LOCATIONS.—In order for producers to receive
19 payments under this section, a project must be located in
20 a county—

21 “(1) that is in non-attainment for ambient air
22 quality standards for ozone, particulate matter, or
23 both;

24 “(2) in which there is air quality degradation,
25 recognized by a State or local regulating agency, to

1 which agricultural emissions significantly contribute;
2 or

3 “(3) in which the Secretary determines that
4 pesticide drift is a priority concern.

5 “(d) PRIORITY.—The Secretary shall give priority to
6 projects that—

7 “(1) involve multiple producers implementing
8 eligible conservation activities in a coordinated way
9 to promote air quality; or

10 “(2) are designed to encourage broad adoption
11 of innovative approaches, including approaches in-
12 volving the use of innovative technologies and inte-
13 grated pest management, so long as the technologies
14 do not have the unintended consequence of compro-
15 mising other environmental goals.

16 “(e) FUNDING.—

17 “(1) AMOUNTS.—The Secretary shall use funds
18 of the Commodity Credit Corporation to carry out
19 this section in the following amounts:

20 “(A) \$25,000,000 for fiscal year 2008;

21 “(B) \$45,000,000 for fiscal year 2009;

22 “(C) \$60,000,000 for fiscal year 2010;

23 “(D) \$75,000,000 for fiscal year 2011;

24 and

25 “(E) \$100,000,000 for fiscal year 2012.

1 “(2) RELATION TO OTHER FUNDS.—The funds
2 made available under paragraph (1) are in addition
3 to amounts made available under section 1241(a)(6)
4 to carry out this chapter.

5 **“SEC. 1240K. PERFORMANCE INCENTIVES FOR STATES.**

6 “(a) HIGH LEVEL OF PERFORMANCE BONUS.—For
7 each of fiscal years 2008 through 2012, 20 percent of the
8 funds made available under this chapter shall be reserved
9 by the Secretary for bonus allocations to States that dem-
10 onstrate a high level of performance in implementing the
11 environmental quality incentives program.

12 “(b) SPECIAL CONSIDERATIONS.—In evaluating
13 State performance under subsection (a), the Secretary
14 shall reward States that—

15 “(1) consistently meet the requirements of sec-
16 tion 1240C in evaluating offers and payments;

17 “(2) dedicate a portion of their annual environ-
18 mental quality incentives program allocation to
19 multi-producer cooperative efforts to address specific
20 resource concerns;

21 “(3) demonstrate effective and efficient pro-
22 gram delivery, including the provision of adequate
23 technical assistance to all program participants
24 through appropriate staffing and through coopera-
25 tion with other Federal, State, Tribal, and local

1 agencies, for-profit and nonprofit organizations, and
2 individuals with demonstrated expertise in the plan-
3 ning and implementation of conservation practices,
4 systems, and approaches;

5 “(4) collaborate with other Federal and State
6 agencies, local governments, educational institutions,
7 and for-profit and nonprofit organizations to evalu-
8 ate the environmental outcomes associated with im-
9 plementation of the environmental quality incentives
10 program;

11 “(5) ensure broad participation in State Tech-
12 nical Committees; and

13 “(6) ensure that priorities established at the
14 State level are effectively addressed by local work
15 groups.”.

16 **SEC. 208. COOPERATIVE CONSERVATION PARTNERSHIP**
17 **INITIATIVE.**

18 (a) ESTABLISHMENT OF GRANT PROGRAM.—Subtitle
19 D of title XII of the Food Security Act of 1985 is amend-
20 ed by adding at the end the following new chapter:

1 **“CHAPTER 6—COOPERATIVE CONSERVA-**
2 **TION PARTNERSHIP INITIATIVE**

3 **“SEC. 1240W. COOPERATIVE CONSERVATION PARTNERSHIP**
4 **INITIATIVE.**

5 “(a) GRANTS AND AGREEMENTS.—The Secretary
6 shall make grants and enter into agreements for not short-
7 er than two-year or longer than five-year terms with eligi-
8 ble entities specified in subsection (c) to preferentially en-
9 roll producers in one or more of the programs specified
10 in subsection (b) to carry out special projects and initia-
11 tives through which multiple producers and other inter-
12 ested persons cooperate to address specific resources of
13 concern related to agricultural production on a local,
14 State, or regional scale.

15 “(b) COVERED PROGRAMS.—The conservation pro-
16 grams referred to in subsection (a) are the following:

17 “(1) Conservation reserve program, but only
18 the continuous signup portion of the program.

19 “(2) Conservation reserve enhancement pro-
20 gram.

21 “(3) Environmental quality incentives program.

22 “(4) Farmland protection program.

23 “(5) Grassland reserve program.

24 “(6) Ground and surface water conservation
25 program.

1 “(7) Wetland reserve program.

2 “(8) Wildlife habitat incentive program.

3 “(c) ELIGIBLE PARTNERS.—Agreements may be en-
4 tered into under this section with any of the following (or
5 a combination thereof):

6 “(1) States and agencies of States.

7 “(2) Political subdivisions of States, including
8 State-sponsored conservation districts.

9 “(3) Indian tribes.

10 “(4) Nongovernmental organizations and asso-
11 ciations, including producer associations, farmer co-
12 operatives, extension associations, and conservation
13 organizations with a history of working cooperatively
14 with producers to effectively address resource con-
15 cerns related to agricultural production, as deter-
16 mined by the Secretary.

17 “(d) APPLICATIONS.—

18 “(1) COMPETITIVE PROCESS.—The Secretary
19 shall establish a competitive process for considering
20 applications for agreements under this section con-
21 sistent with the evaluation criteria listed in sub-
22 section (e).

23 “(2) PROGRAM ALLOCATION.—Applications
24 shall include—

1 “(A) specification of the amount of fund-
2 ing or acres, or both, of one or more covered
3 programs specified in subsection (b) proposed
4 to be allocated to carry out the special project
5 or initiative; and

6 “(B) a schedule for utilization of funding
7 or acres over the life of the proposed project or
8 initiative.

9 “(e) EVALUATION CRITERIA.—In evaluating applica-
10 tions for agreements under this section the Secretary shall
11 consider the extent to which—

12 “(1) preferential enrollment in the covered pro-
13 grams specified in the application will effectively ad-
14 dress the environmental objectives established for
15 the special project or initiative; and

16 “(2) the special project or initiative covered by
17 the application—

18 “(A) enjoys broad local and regional sup-
19 port from producers and other interested per-
20 sons, including governmental and nongovern-
21 mental organizations with appropriate expertise
22 on the issues the project or initiative seeks to
23 address;

24 “(B) includes clear environmental objec-
25 tives and a high likelihood of success;

1 “(C) includes a well defined project or ini-
2 tiative plan that identifies sensitive areas re-
3 quiring treatment and prioritizes conservation
4 systems, practices, and activities needed to
5 achieve environmental objectives;

6 “(D) promises adequate and coordinated
7 participation to achieve the objectives of the
8 project or initiative;

9 “(E) coordinates integration of local,
10 State, and Federal efforts to make the best use
11 of available resources and maximize cost-effec-
12 tive investments;

13 “(F) leverages financial and technical re-
14 sources from sources other than the programs
15 authorized by this subtitle, including financial
16 and technical resources provided by Federal
17 and State agencies, local governments, non-
18 governmental organizations and associations,
19 and other private sector entities;

20 “(G) describes how all necessary technical
21 assistance will be provided to each producer
22 participating in the project or initiative, includ-
23 ing cost estimates for technical assistance and
24 whether such assistance will be provided by
25 technical service providers;

1 “(H) describes how the administrative
2 costs of the project or initiative will be mini-
3 mized;

4 “(I) addresses a local, State, regional, or
5 national environmental priority or priorities,
6 with particular emphasis on any priority for
7 which there is an existing State or federally ap-
8 proved plan in place for addressing that pri-
9 ority;

10 “(J) includes a plan to evaluate progress
11 and measure results; and

12 “(K) clearly demonstrates that enrollment
13 of producers in covered programs will be con-
14 sistent with the purposes and policies of each
15 individual program, as established in statute,
16 rules and regulations, and program guidance
17 promulgated by implementing agencies.

18 “(f) PRIORITIES.—To the maximum extent prac-
19 ticable, consistent with the requirements of subsection (d),
20 the Secretary shall ensure that, each fiscal year, grants
21 are awarded and agreements are entered into under this
22 section to support projects and initiatives that collectively
23 address the full range of resource concerns facing pro-
24 ducers, ranchers, and small private forest landowners, in-

1 cluding specifically projects and initiatives that are de-
2 signed—

3 “(1) to achieve improvements in water quality
4 in watersheds impacted by agriculture, particularly
5 by increasing the participation of producers in im-
6 plementing best management practices in a water-
7 shed or developing environmentally and economically
8 viable alternative uses for manure and litter;

9 “(2) to achieve improvements in air quality in
10 a geographical area where agricultural operations
11 impact air quality, especially an area that, as deter-
12 mined by the Administrator of the Environmental
13 Protection Agency, is a nonattainment area with re-
14 spect to any of the national ambient air quality
15 standards promulgated by the Administrator under
16 section 109 of the Clean Air Act (42 U.S.C. 7409);

17 “(3) to conserve water for environmental pur-
18 poses, such as enhanced in stream flows or aquifer
19 recharge in regions, States, or local areas where
20 water quantity is a concern;

21 “(4) to assist in the recovery of Federal or
22 State-listed endangered species or species of special
23 concern or to further the goals and objectives of a
24 State’s comprehensive wildlife conservation plan

1 through the cooperative efforts of multiple pro-
2 ducers;

3 “(5) to control invasive species on rangeland or
4 other agricultural land through the cooperative ef-
5 forts of multiple producers in a geographical area;

6 “(6) to address a specific resource of concern or
7 set of concerns on private, non-industrial forest land;

8 “(7) to reduce losses of pesticides to the envi-
9 ronment by engaging multiple producers in a geo-
10 graphic area in adoption of integrated pest manage-
11 ment practices and approaches; and

12 “(8) to keep working farms and ranches facing
13 development pressures in agricultural use.

14 “(g) COST SHARE.—

15 “(1) MAXIMUM; EXCEPTIONS.—The Secretary
16 shall not require more than 25 percent of the cost
17 of a project or initiative supported under an agree-
18 ment entered into under this section to come from
19 non-Federal sources. However, the Secretary may
20 award more points to projects or initiatives offering
21 to cover a higher percentage of the cost of the
22 project or initiative from non-Federal sources.

23 “(2) IN-KIND CONTRIBUTIONS.—If the Sec-
24 retary establishes a cost-share requirement for a

1 project or initiative, the Secretary shall allow the use
2 of in-kind contributions to meet that requirement.

3 “(h) FUNDING.—

4 “(1) SET-ASIDE.—Of the funds provided each
5 fiscal year to implement the programs specified in
6 subsection (b), the Secretary shall reserve the fol-
7 lowing percentages to ensure an adequate source of
8 funds for agreements entered into under this section:

9 “(A) 5 percent for fiscal year 2008;

10 “(B) 10 percent for each of fiscal years
11 2009 and 2010; and

12 “(C) 15 percent for fiscal years 2011 and
13 2012.

14 “(2) ALLOCATION TO STATES.—The Secretary
15 shall allocate to States 60 percent of the funds re-
16 served under paragraph (1) for a fiscal year to allow
17 State Conservationists, with the advice of State tech-
18 nical committees, to select projects and initiatives
19 for funding under this section at the State level. The
20 allocation shall be made on a similar basis as what
21 would have been the case under the covered pro-
22 grams identified in subsection (b).”.

23 (b) CONFORMING REPEAL.—Section 1243 of the
24 Food Security Act of 1985 (16 U.S.C. 3843) is amended
25 by striking subsection (f).

1 **SEC. 209. REGIONAL EQUITY IN FUNDING OF CERTAIN DE-**
2 **PARTMENT OF AGRICULTURE CONSERVA-**
3 **TION PROGRAMS.**

4 Subsection (d) of section 1241 of the Food Security
5 Act of 1985 (16 U.S.C. 3841) is amended to read as fol-
6 lows:

7 “(d) MINIMUM BASE ALLOCATION TO STATES FOR
8 CERTAIN CONSERVATION PROGRAMS.—

9 “(1) MINIMUM ALLOCATION.—Before April 1 of
10 each fiscal year, the Secretary shall give priority for
11 funding under the conservation programs under this
12 subtitle, other than the programs excluded by para-
13 graph (2), to approved applications in any State that
14 has not received, for that fiscal year, an aggregate
15 amount of at least \$12,000,000 for those conserva-
16 tion programs.

17 “(2) CERTAIN PROGRAMS EXCLUDED.—Para-
18 graph (1) does not apply to the following programs:

19 “(A) The conservation reserve program
20 under subchapter B of chapter 1.

21 “(B) The wetlands reserve program under
22 subchapter C of chapter 1.

23 “(C) The conservation security program
24 under subchapter A of chapter 2.

25 “(D) The grassland reserve program under
26 subchapter C of chapter 2.”.

1 **SEC. 210. INTEGRATED PEST MANAGEMENT INITIATIVE.**

2 Subtitle F of title XII of the Food Security Act of
3 1985 (16 U.S.C. 3830 et seq.) is amended by adding at
4 the end the following new section:

5 **“SEC. 1257. INTEGRATED PEST MANAGEMENT INITIATIVE.**

6 “(a) INITIATIVE REQUIRED.—The Secretary shall
7 implement an integrated pest management initiative in
8 priority regions identified by the Secretary under sub-
9 section (b) for the purpose of assisting agricultural pro-
10 ducers operating in such regions to comply with pest man-
11 agement regulations and alleviate the need for additional
12 regulations regarding pest management activities.

13 “(b) IDENTIFICATION OF PRIORITY REGIONS.—

14 “(1) IDENTIFICATION.—The Secretary of Agri-
15 culture shall identify priority regions where the
16 adoption by agricultural producers of integrated pest
17 management practices and approaches offers the
18 greatest potential benefit to producers seeking to
19 comply with environmental regulations and alleviate
20 the need for additional regulations resulting from
21 pest management activities. Priority regions shall in-
22 clude agricultural lands dominated by the production
23 of specialty crops and agricultural lands where agri-
24 cultural pest management activities are regulated for
25 the purpose of mitigating specific impacts to human
26 health or the environment, such as an area in which

1 pollutants exceed authorized total maximum daily
2 load or an air quality non-attainment area.

3 “(2) CONSULTATION.—The Secretary shall
4 identify priority regions in consultation with the En-
5 vironmental Protection Agency, the United States
6 Geological Service, the United States Fish and Wild-
7 life Service, agricultural producers, appropriated
8 State agencies, and other interested persons.

9 “(c) ACTIVITIES IN PRIORITY REGIONS.—

10 “(1) EXPEDITED APPROVAL OF MANAGEMENT
11 PRACTICES.—The Secretary of Agriculture shall de-
12 velop the best-available integrated pest management
13 practices for the primary agricultural commodities
14 and significant pests in each priority region identi-
15 fied under subsection (b) and expedite approval of
16 these practices for implementation by agricultural
17 producers.

18 “(2) IMPROVED EVALUATION OF MANAGEMENT
19 PLANS.—The Secretary shall develop and make
20 available criteria to enable staff of the Natural Re-
21 sources Conservation Service and agricultural pro-
22 ducers operating in priority regions identified under
23 subsection (b) to effectively compare pest manage-
24 ment plans, considering relative risks and potential
25 benefits to multiple resources of concern, including

1 air, surface water, ground water, bees and other pol-
2 linators, wildlife, and worker safety.

3 “(3) TECHNICAL ASSISTANCE.—The Secretary
4 shall enter in cooperative agreements, memorandums
5 of understanding, and contracts for services with
6 other agencies and non-Federal organizations, as
7 necessary, to assist in providing technical assistance
8 regarding integrated pest management planning and
9 implementation to producers operating in priority re-
10 gions identified under subsection (b).

11 “(4) MARKETING.—The Secretary shall market
12 the availability of integrated pest management tools
13 and training to agricultural producers in the priority
14 regions identified under subsection (b).

15 “(5) PROGRAM INTEGRATION.—The Secretary
16 shall set goals for integrating the integrated pest
17 management initiative with the environmental qual-
18 ity incentives program established under chapter 4
19 of subtitle D of title XII of the Food Security Act
20 of 1985 (16 U.S.C. 3839aa et seq.) and other con-
21 servation programs in each priority region identified
22 under subsection (b), including indicators of the ex-
23 tent to which these programs fund integrated pest
24 management practices and the extent to which sup-

1 ported integrated pest management practices reduce
2 pesticide use and risk.

3 “(d) FUNDING.—The Secretary of Agriculture may
4 use resources provided for programs under this title to im-
5 plement the integrated pest management initiative.”.

6 **SEC. 211. TECHNICAL ASSISTANCE UNDER DEPARTMENT**
7 **OF AGRICULTURE CONSERVATION PRO-**
8 **GRAMS.**

9 (a) USE OF THIRD-PARTY PROVIDERS.—Section
10 1242 of the Food Security Act of 1985 (16 U.S.C. 3842)
11 is amended—

12 (1) in subsection (a), by striking paragraph (2)
13 and inserting the following new paragraph:

14 “(2) at the option of the producer, through an
15 approved third party, if available.”; and

16 (2) in subsection (b)—

17 (A) by striking paragraph (1) and insert-
18 ing the following new paragraph:

19 “(1) SYSTEM FOR EVALUATION OF PRO-
20 VIDERS.—The Secretary shall establish, by regula-
21 tion, a system for approving individuals and entities
22 to provide technical assistance to carry out programs
23 under this chapter, including criteria for the evalua-
24 tion of providers or potential providers of technical
25 assistance. The system shall require, as part of the

1 approval process, consultation with county commit-
 2 tees established under section 8(b) of the Soil Con-
 3 servation and Domestic Allotment Act (16 U.S.C.
 4 590h(b)).”;

5 (B) by striking paragraph (3) and insert-
 6 ing the following new paragraph:

7 “(3) COMPETITIVE BIDDING.—The Secretary
 8 may accept bids from approved third parties to pro-
 9 vide technical assistance to producers eligible for
 10 that assistance.”; and

11 (C) in paragraph (4), by striking “may re-
 12 quest” and inserting “shall request, to the max-
 13 imum extent practicable,”.

14 (b) COOPERATIVE CONSERVATION EDUCATIONAL AS-
 15 SISTANCE PROGRAM; TECHNICAL ASSISTANCE.—Such
 16 section is further amended by adding at the end the fol-
 17 lowing new subsections:

18 “(c) COOPERATIVE CONSERVATION EDUCATIONAL
 19 ASSISTANCE PROGRAM.—The Secretary shall establish a
 20 cooperative conservation educational assistance program
 21 through which a student at an institution of higher edu-
 22 cation, in a field of study such as agronomy, conservation
 23 biology, engineering, and other subject relevant to the pro-
 24 vision of technical assistance under this section, may re-
 25 ceive educational assistance in exchange for a commitment

1 of service to the Natural Resources Conservation Service
2 or other agency within the Department of Agriculture in-
3 volved in providing such assistance. Establishment of the
4 program shall be carried out by rulemaking, and the final
5 rule shall be issued not later than 180 days after the date
6 of the enactment of this subsection.

7 “(d) REVIEW AND EXPEDITED APPROVAL OF TECH-
8 NICAL ASSISTANCE SPECIFICATIONS.—

9 “(1) As a condition on participating in pro-
10 grams under this subtitle, a State shall assess the
11 completeness and relevance of existing technical as-
12 sistance specifications to ensure that the specifica-
13 tions fully incorporate and provide for the appro-
14 priate range of conservation practices and resource
15 mitigation measures available to specialty crop pro-
16 ducers. In conducting the assessment, the State
17 shall consult with producers, crop consultants, the
18 cooperative extension system, and land-grant colleges
19 and universities, nongovernmental organizations, and
20 other qualified entities. If revisions to technical spec-
21 ifications are determined to be necessary, the state
22 shall establish an administrative process for expe-
23 diting the incorporation of those revisions.

24 “(2) TECHNICAL ASSISTANCE.—The Secretary
25 shall ensure that adequate technical assistance is

1 available for the implementation of practices by spe-
 2 cialty crop producers through Federal conservation
 3 programs. To comply with this paragraph, the Sec-
 4 retary shall develop—

5 “(A) programs that meet specific needs of
 6 specialty crop producers through cooperative
 7 agreements with other agencies and nongovern-
 8 mental organizations; and

9 “(B) program specifications that allow for
 10 innovative approaches that engage local re-
 11 sources in providing technical assistance for
 12 planning and implementation of practices.”.

13 **SEC. 212. CONSERVATION LOAN GUARANTEE PROGRAM.**

14 Section 304 of the Consolidated Farm and Rural De-
 15 velopment Act (7 U.S.C. 1924) is amended to read as fol-
 16 lows:

17 **“SEC. 304. CONSERVATION LOAN GUARANTEE PROGRAM.**

18 “(a) IN GENERAL.—The Secretary may provide a
 19 loan guarantee, an interest subsidy, or both, to enable an
 20 eligible borrower to obtain a qualified conservation loan.

21 “(b) DEFINITIONS.—In this section:

22 “(1) ELIGIBLE BORROWER.—The term ‘eligible
 23 borrower’ means a farmer, rancher, farm coopera-
 24 tive, private domestic corporation, partnership, joint
 25 operation, trust, or limited liability company, that is

1 engaged primarily and directly in agricultural pro-
2 duction in the United States.

3 “(2) QUALIFIED CONSERVATION LOAN.—The
4 term ‘qualified conservation loan’ means a loan that
5 meets the following requirements:

6 “(A) PURPOSE.—The loan proceeds are re-
7 quired to be used to cover the costs to the bor-
8 rower of carrying out a qualified conservation
9 project.

10 “(B) PRINCIPAL AMOUNT.—The principal
11 amount of the loan is not more than
12 \$1,000,000.

13 “(C) REPAYMENT PERIOD.—The loan re-
14 payment period shall not exceed 10 years.

15 “(D) NO REPAYMENT REQUIRED IN FIRST
16 YEAR.—The lender is prohibited from requiring
17 any part of the loan to be repaid in the 1-year
18 period that begins with the date of the closing
19 of the loan.

20 “(E) NO LOAN FORGIVENESS.—The lender
21 is prohibited from forgiving any part of the
22 loan.

23 “(F) LIMITED PROCESSING FEE.—The
24 total of all processing fees charged with respect

1 to the loan does not exceed such amount as
2 shall be prescribed by the Secretary.

3 “(3) QUALIFIED CONSERVATION PROJECT.—

4 The term ‘qualified conservation project’ means,
5 with respect to an eligible borrower, conservation
6 measures included in a conservation plan, approved
7 by the Secretary under other authority, for a farm-
8 ing or ranching operation of the borrower, including
9 but not limited to—

10 “(A) the installation of conservation struc-
11 tures, including terraces, sod waterways, per-
12 manently vegetated stream borders and filter
13 strips, windbreaks (tree or grass), shelter belts,
14 and living snow fences, if all plantings consist
15 of vegetation appropriate to the locale;

16 “(B) the installation of water conservation
17 measures;

18 “(C) the installation of waste management
19 systems;

20 “(D) the establishment or improvement of
21 permanent pasture;

22 “(E) the payment of costs of complying
23 with section 1212 of the Food Security Act of
24 1985;

1 “(F) other purposes consistent with the
2 conservation plan;

3 “(G) any conservation project or practice,
4 as described by technical guides and handbooks
5 issues by the Natural Resources Conservation
6 Service; or

7 “(H) emerging conservation practices,
8 techniques, or technologies, as approved by the
9 Secretary.

10 “(c) LIMITATIONS APPLICABLE TO LOAN GUARAN-
11 TEES.—

12 “(1) LIMITATION ON AMOUNT OF GUAR-
13 ANTEE.—The portion of a loan that the Secretary
14 may guarantee under this section shall be not less
15 than 80 percent and not more than 90 percent of
16 the principal amount of the loan.

17 “(2) LIMITATION ON TOTAL AMOUNT OUT-
18 STANDING.—The aggregate principal amount of out-
19 standing loans guaranteed by the Secretary under
20 this section shall not exceed \$1,000,000,000.

21 “(d) LIMITATION ON AMOUNT OF INTEREST SUB-
22 SIDY.—The interest subsidy which the Secretary may pro-
23 vide under this section with respect to a loan shall result
24 in a reduction of the interest rate agreed upon by the bor-
25 rower and the lender (but to not less than zero) by—

1 “(1) 500 basis points, if the principal amount
2 of the loan is less than \$100,000;

3 “(2) 400 basis points, if the principal amount
4 of the loan is not less than \$100,000 and is less
5 than \$500,000; and

6 “(3) 300 basis points, in any other case.

7 “(e) ADMINISTRATIVE PROVISIONS.—

8 “(1) AUTHORITY TO COLLECT PROCESSING
9 FEE.—The Secretary may assess a fee to cover the
10 cost of processing an application under this section
11 equal to not more than 1 percent of the principal
12 amount of the loan sought by the applicant, as de-
13 scribed in the application.

14 “(2) PROVISION OF FINANCIAL INFORMA-
15 TION.—An applicant for a loan guarantee or interest
16 subsidy under this section shall provide the Sec-
17 retary with such financial information as may be re-
18 quired by the Secretary, in the manner generally re-
19 quired by commercial agricultural lenders in the geo-
20 graphical area where the farming or ranching oper-
21 ation of the applicant is located.

22 “(3) APPRAISAL.—The Secretary may require
23 that an appraisal made in connection with an appli-
24 cation for a loan guarantee or interest subsidy under
25 this section be conducted by a specialized appraiser

1 that uses standards similar to the standards used
2 for similar purposes in the private sector, as deter-
3 mined by the Secretary.

4 “(4) APPROVAL OF APPLICATION.—The Sec-
5 retary shall not approve an application submitted
6 pursuant to this section, unless the Secretary has
7 determined that the project for which the loan is
8 sought is likely to result in a net benefit to the envi-
9 ronment.

10 “(5) DEADLINE FOR DECISION ON APPLICA-
11 TION.—To the maximum extent practicable, within
12 60 business days after the receipt of an application
13 for assistance under this section, the Secretary shall
14 transmit to the applicant the decision of the Sec-
15 retary to approve or disapprove the application.

16 “(6) EQUITABLE DISTRIBUTION OF LOAN
17 GUARANTEES AND INTEREST SUBSIDIES.—The Sec-
18 retary shall ensure, to the maximum extent prac-
19 ticable, that loan guarantees and interest subsidies
20 under this section are equitably distributed among
21 agricultural producers according to the size of their
22 farming operations, as determined on the basis of
23 the value of the crops produced by the operations.

24 “(f) RELATIONSHIP WITH OTHER CONSERVATION
25 PROGRAMS.—Neither the application for, nor the receipt

1 of, a loan guarantee or an interest subsidy under this sec-
 2 tion shall affect the eligibility of the recipient for assist-
 3 ance under title XII of the Food Security Act of 1985
 4 or the Watershed Protection and Flood Prevention Act.

5 “(g) APPROPRIATIONS.—For each of fiscal years
 6 2008 through 2013, the Secretary shall use such funds
 7 of the Commodity Credit Corporation as are necessary to
 8 carry out this section.”.

9 **SEC. 213. EMERGENCY CONSERVATION PROGRAM.**

10 Section 401 of the Agricultural Credit Act of 1978
 11 (16 U.S.C. 2201) is amended by adding at the end the
 12 following new sentence: “Assistance provided under this
 13 title may include reimbursement for emergency measures
 14 undertaken to clean-up nursery debris resulting from wind
 15 erosion, floods, hurricanes, or other natural disasters.”.

16 **SEC. 214. EXCLUSION OF PAYMENTS UNDER DEPARTMENT**
 17 **OF AGRICULTURE CONSERVATION PRO-**
 18 **GRAMS FROM ADJUSTED GROSS INCOME**
 19 **LIMITATION.**

20 Section 1001D(b)(2) of the Food Security Act of
 21 1985 (7 U.S.C. 1308–3a) is amended by striking subpara-
 22 graph (C).

1 **SEC. 215. ENCOURAGEMENT OF VOLUNTARY SUSTAIN-**
 2 **ABILITY PRACTICES GUIDELINES.**

3 In administering this title and the amendments made
 4 by this title, the Secretary of Agriculture may encourage
 5 the development of voluntary sustainable practices guide-
 6 lines for producers and processors of specialty crops.

7 **SEC. 216. ASSISTANCE TO ADDRESS LONG-TERM CLIMATE**
 8 **CHANGE.**

9 Whenever practicable, the Secretary of Agriculture
 10 shall utilize programs of the Department of Agriculture
 11 to provide technical or financial assistance to producers
 12 and processors of specialty crops to address the adverse
 13 impacts of long-term climate change, including the compli-
 14 ance of producers and processors with governmental regu-
 15 lations related to long-term climate change.

16 **TITLE III—TRADE**

17 **SEC. 301. TECHNICAL ASSISTANCE FOR SPECIALTY CROPS.**

18 (a) FUNDING AND CARRYOVER OF FUNDING.—Sub-
 19 section (d) of section 3205 of the Farm Security and
 20 Rural Investment Act of 2002 (7 U.S.C. 5680) is amended
 21 to read as follows:

22 “(d) FUNDING AND CARRYOVER OF FUNDING.—

23 “(1) FUNDING.—To carry out the program, the
 24 Secretary shall make available funds of the Com-
 25modity Credit Corporation, or an equal value of

1 commodities owned by the Commodity Credit Cor-
 2 poration, in the amount of—

3 “(A) \$4,000,000 for fiscal year 2008;

4 “(B) \$6,000,000 for fiscal year 2009;

5 “(C) \$8,000,000 for fiscal year 2010;

6 “(D) \$10,000,000 for each of fiscal years
 7 2011 and 2012.

8 “(2) CARRYOVER OF FUNDING.—Funds made
 9 available for the program under paragraph (1) or
 10 under section 201 of the Specialty Crops Competi-
 11 tiveness Act of 2004 (Public Law 108–465; 118
 12 Stat. 3884) shall remain available until expended.”.

13 (b) FLEXIBILITY.—Such section is further amended
 14 by adding at the end the following new subsection:

15 “(e) FLEXIBILITY.—In providing technical assistance
 16 under the program, the Secretary should provide for case-
 17 by-case extensions, upon the approval of the Administrator
 18 of the Foreign Agricultural Service, of time frames pro-
 19 vided by regulations in connection with that assistance.”.

20 **SEC. 302. COORDINATION OF TRADE OBJECTIVES BETWEEN**
 21 **KEY AGENCIES.**

22 The President shall take steps to ensure increased co-
 23 ordination among relevant agencies within the Depart-
 24 ment of Agriculture and other agencies within the Execu-
 25 tive branch of export and import trade objectives and

1 greater transparency on work related to sanitary and
 2 phytosanitary trade issues.

3 **SEC. 303. MARKET ACCESS PROGRAM.**

4 Section 211(c)(1)(A) of the Agricultural Trade Act
 5 of 1978 (7 U.S.C. 5641(c)(1)(A)) is amended—

6 (1) by striking “and” before “\$200,000,000”;

7 and

8 (2) by inserting “and \$350,000,000 for each of
 9 fiscal years 2008 through 2012,” after “2007,”.

10 **SEC. 304. GRANT PROGRAM FOR MARKET ANALYSIS RE-**
 11 **LATED TO ANTI-DUMPING AND COUNTER-**
 12 **VAILING DUTY CASES INVOLVING SPECIALTY**
 13 **CROPS.**

14 (a) GRANTS AUTHORIZED.—The Secretary of Agri-
 15 culture may make grants under this section to a State
 16 agency or an association of specialty crop producers (in
 17 this section referred to as an “eligible entity”) to conduct
 18 or procure market analysis in connection with anti-dump-
 19 ing and countervailing duty cases involving a specialty
 20 crop under consideration by the United States Inter-
 21 national Trade Commission or the Department of Com-
 22 merce.

23 (b) GRANT CRITERIA.—To be eligible for a grant
 24 under this section, an eligible entity must establish to the
 25 satisfaction of the Secretary that—

1 (1) there has been significant price underselling
2 of the imported specialty crop, as compared with the
3 previous three-year average price of the domestic
4 specialty crop; and

5 (2) there is a significant increase of the volume
6 or market penetration of the imported specialty crop
7 over the previous three years.

8 (c) MATCHING FUNDS.—An eligible entity receiving
9 a grant under this section shall contribute non-Federal
10 funds toward the market analysis project for which the
11 grant is provided in an amount at least equal to the
12 amount of the grant.

13 (d) FUNDING.—The Secretary of Agriculture shall
14 use \$10,000,000 of funds of the Commodity Credit Cor-
15 poration for each of the fiscal years 2008 through 2012
16 to make grants under this section.

17 **SEC. 305. SENSE OF CONGRESS REGARDING CERTAIN ANTI-**
18 **TRUST LAWS APPLICABLE TO AGRICULTURE.**

19 It is the sense of Congress that the Export Trading
20 Company Act (ETC), the Webb-Pomerene Export Act,
21 and the Capper-Volstead Act should be strongly supported
22 because these antitrust laws promote United States agri-
23 cultural exports and allow specialty crop producers key
24 protections.

1 **TITLE IV—INVASIVE PESTS AND**
2 **DISEASES**

3 **SEC. 401. THREAT IDENTIFICATION AND MITIGATION PRO-**
4 **GRAM.**

5 (a) ESTABLISHMENT.—The Administrator of the
6 Animal and Plant Health Inspection Service shall estab-
7 lish and administer a program to determine and prioritize
8 foreign threats to domestic production of specialty crops,
9 including threats of bioterrorism.

10 (b) PROGRAM.—In conducting the program estab-
11 lished under subsection (a), the Administrator of the Ani-
12 mal and Plant Health Inspection Service shall—

13 (1) consult with the Director of the Center for
14 Plant Health Science and Technology;

15 (2) develop risk assessments of the potential
16 threat to the specialty crop industry in the United
17 States from foreign threats;

18 (3) collaborate with the National Plant Board
19 to—

20 (A) prioritize foreign threats to the spe-
21 cialty crop industry; and

22 (B) in consultation with State departments
23 of agriculture and other State or regional re-
24 source partnerships, develop action plans that
25 effectively address such foreign threats, includ-

1 ing pathway analysis, offshore mitigation meas-
2 ures, and comprehensive exclusion measures at
3 ports of entry and other key distribution cen-
4 ters in addition to strategies to employ if the
5 foreign pest or disease is introduced;

6 (4) implement such action plans as soon as they
7 are developed to test the effectiveness of such action
8 plans and help prevent new foreign and domestic
9 pest and disease threats from being introduced or
10 widely disseminated in the United States;

11 (5) consult with the Administrator of the Agri-
12 cultural Research Service, where appropriate, and
13 utilize the expertise of the Agricultural Research
14 Service in the development of pest and disease detec-
15 tion and control or eradication strategies;

16 (6) consult with the United States Trade Rep-
17 resentative on both the priority list and action plans
18 after such are developed to ensure future trade
19 agreements include measures to mitigate these
20 threats; and

21 (7) not use funds available pursuant to sub-
22 section (d) for eradication efforts that enhance im-
23 port opportunities into the United States.

24 (c) REPORTS.—Not later than one year after the date
25 of the enactment of this Act, and annually thereafter, the

1 Administrator of the Animal and Plant Health Inspection
 2 Service shall update and submit to Congress the priority
 3 list and action plans described in subsection (b), including
 4 an accounting of funds expended on such action plans.

5 (d) FUNDING.—The Administrator of the Animal and
 6 Plant Health Inspection Service shall use \$40,000,000 of
 7 the funds of the Commodity Credit Corporation for each
 8 of fiscal years 2008 through 2012 to carry out this sec-
 9 tion.

10 **SEC. 402. EMERGENCY CONTROL, PREVENTION, AND**
 11 **ERADICATION PROGRAMS.**

12 (a) EXTRAORDINARY EMERGENCY.—Section 415 of
 13 the Plant Protection Act (7 U.S.C. 7715) is amended by
 14 adding at the end the following new subsection:

15 “(f) SECRETARIAL DISCRETION.—The decision to de-
 16 clare an extraordinary emergency under subsection (a)
 17 shall be solely the decision of the Secretary and shall re-
 18 main in effect until the Secretary determines that the
 19 threat posed by the plant pest or noxious weed has
 20 abated.”.

21 (b) PLANT PEST EMERGENCY AUTHORITY.—Section
 22 442 of the Plant Protection Act (7 U.S.C. 7772) is amend-
 23 ed—

24 (1) in the heading, by striking “**TRANSFER**”
 25 and inserting “**PLANT PEST EMERGENCY**”; and

1 (2) by striking subsection (c) and inserting the
2 following:

3 “(c) SECRETARIAL DISCRETION.—

4 “(1) DECLARATION OF EMERGENCY.—The deci-
5 sion to declare an emergency in connection with a
6 plant pest or noxious weed that threatens any part
7 of the agricultural production of the United States
8 shall be solely the decision of the Secretary and shall
9 remain in effect until the Secretary determines that
10 the threat posed by the plant pest or noxious weed
11 has abated.

12 “(2) FUNDS.—The decision of the Secretary to
13 transfer funds pursuant to this section shall be
14 based solely on the threat to agricultural production
15 within the United States. Notwithstanding any other
16 provision of law, the decision of the Secretary shall
17 be final and it shall be unlawful for any officer or
18 employee of the Federal Government other than the
19 Secretary or the designee of the Secretary to con-
20 tradict, impede, or reverse the transfer of funds the
21 Secretary considers necessary for the arrest, control,
22 eradication, and prevention of the spread of a plant
23 pest or noxious weed and for related expenses.

24 “(d) APPLIED RESEARCH.—The Secretary shall use
25 the funds of the Commodity Credit Corporation to fund,

1 as necessary, applied research to resolve issues that may
2 arise during a plant pest emergency. Such research may
3 include the development of new or improved diagnostic
4 methods, biocontrol tools, eradication or control tools, or
5 such other matters as the Secretary determines advance
6 the effort to arrest, control, eradicate, and prevent the
7 spread of a plant pest or noxious weed.

8 “(e) USE OF COOPERATIVE AGREEMENTS.—

9 “(1) IN GENERAL.—The Secretary shall, to the
10 greatest extent practicable, enter into a cooperative
11 agreement pursuant to section 432 with a State to
12 assist in the arrest, control, eradication, or preven-
13 tion of a plant pest or noxious weed connected with
14 an emergency under this section or applied research
15 conducted pursuant to subsection (d).

16 “(2) NO COST SHARING REQUIRED.—The Sec-
17 retary shall not require a State entering into a coop-
18 erative agreement with the Secretary under para-
19 graph (1) to provide a share of the costs necessary
20 for the arrest, control, eradication, or prevention of
21 the spread of a plant pest or noxious weed connected
22 with an emergency under this section or for applied
23 research conducted pursuant to subsection (d).”.

24 (c) COMPENSATION.—

1 (1) IN GENERAL.—Section 416 of such Act (7
2 U.S.C. 7716) is amended to read as follows:

3 **“SEC. 416. COMPENSATION.**

4 “(a) IN GENERAL.—Except as provided in subsection
5 (c), the Secretary shall compensate the owner of any plant,
6 plant product, article, or means of conveyance—

7 “(1) destroyed or otherwise disposed of by the
8 Secretary under section 414 or 415; or

9 “(2) for any loss in market value of any plant,
10 plant product, article or means of conveyance re-
11 stricted by the Secretary from being moved or dis-
12 tributed outside of a quarantine area if the Sec-
13 retary determines that such plant, plant product, ar-
14 ticle, or means of conveyance is not infested with or
15 capable of transmitting a disease or plant pest.

16 “(b) AMOUNT.—

17 “(1) IN GENERAL.—Subject to paragraphs (2)
18 and (3), the compensation—

19 “(A) under subsection (a)(1) shall be based
20 on the fair market value, as determined by the
21 Secretary, of the destroyed plant, plant product,
22 article, or means of conveyance; and

23 “(B) under subsection (a)(2) shall be
24 based on the loss in fair market value of the

1 plant, plant product, article, or means of con-
2 veyance.

3 “(2) LIMITATION.—Compensation paid any
4 owner under this section shall not exceed the dif-
5 ference between—

6 “(A) the fair market value of the destroyed
7 plant, plant product, article, or means of con-
8 veyance; and

9 “(B) any compensation received by the
10 owner from a State or other source for the de-
11 stroyed plant, plant product, article, or means
12 of conveyance.

13 “(3) REVIEWABILITY.—The determination by
14 the Secretary of the amount to be paid under this
15 section shall be final and not subject to judicial re-
16 view or review of longer than 60 days by any officer
17 or employee of the Federal Government other than
18 the Secretary or the designee of the Secretary.

19 “(c) EXCEPTIONS.—No payment shall be made by
20 the Secretary under this section for—

21 “(1) any plant, plant product, article, or means
22 of conveyance that has been moved or handled by
23 the owner in violation of an agreement for the con-
24 trol and eradication of diseases or pests or in viola-
25 tion of this title;

1 “(2) any plant, plant product, article, or means
 2 of conveyance that is refused entry under this title;
 3 or

4 “(3) any plant, plant product, article, or means
 5 of conveyance that becomes or has become affected
 6 with or exposed to any pest or disease because of a
 7 violation of an agreement for the control and eradi-
 8 cation of diseases or pests or a violation of this title
 9 by the owner.”.

10 (2) CONFORMING AMENDMENT.—Section 415
 11 of such Act (7 U.S.C. 7715) is amended by striking
 12 subsection (e).

13 **SEC. 403. AGRICULTURAL QUARANTINE INSPECTION AC-**
 14 **TIVITIES AT PORTS OF ENTRY.**

15 (a) TRANSFER OF CERTAIN AGRICULTURAL IMPORT
 16 AND ENTRY FUNCTIONS BACK TO USDA.—

17 (1) IN GENERAL.—There shall be transferred to
 18 the Secretary of Agriculture the functions of the
 19 Secretary of Homeland Security relating to agricul-
 20 tural import and entry inspection activities under
 21 the Plant Protection Act (7 U.S.C. 7701 et seq.).

22 (2) TRANSFER AGREEMENT.—Before the end of
 23 the transition period, the Secretary of Agriculture
 24 and the Secretary shall enter into an agreement to
 25 effectuate the transfer of functions required by para-

1 graph (1). The Secretary of Agriculture and the Sec-
2 retary may jointly revise the agreement as necessary
3 thereafter.

4 (3) TRANSFER OF DHS EMPLOYEES.—Not later
5 than the end of the transition period, the Secretary
6 of Homeland Security shall transfer to the Secretary
7 of Agriculture not less than 2,600 full-time equiva-
8 lent positions of the Department of Homeland Secu-
9 rity.

10 (4) CONFORMING AMENDMENT.—Section
11 421(b) of the Homeland Security Act of 2002 (6
12 U.S.C. 231(b)) is amended by—

13 (A) striking paragraph (4); and

14 (B) redesignating paragraphs (5), (6), and
15 (7) as paragraphs (4), (5), and (6), respec-
16 tively.

17 (5) TRANSITION PERIOD DEFINED.—In this
18 subsection, the term “transition period” means the
19 period ending on the date that is one year after the
20 date of the enactment of this Act.

21 (b) RISK MITIGATION REVIEW COMMITTEES.—The
22 Secretary of Agriculture shall establish State and regional
23 risk mitigation review committees to assist the Secretary
24 in assessing disease and pest threats, trends, and condi-

1 tions. Such committees shall include staff of State depart-
2 ments of agriculture and other appropriate persons.

3 **SEC. 404. ANIMAL AND PLANT HEALTH INSPECTION SERV-**
4 **ICE EXPORT DIVISION.**

5 (a) ESTABLISHMENT.—The Administrator of the
6 Animal and Plant Health Inspection Service shall estab-
7 lish a sanitary and phytosanitary export petitions division
8 within the Animal and Plant Health Inspection Service.

9 (b) DUTIES.—The division established under sub-
10 section (a) shall—

11 (1) process sanitary and phytosanitary export
12 petitions;

13 (2) establish a public docket for sanitary and
14 phytosanitary export petitions; and

15 (3) complete review of sanitary and
16 phytosanitary export petitions filed on or before the
17 date of the enactment of this Act not later than five
18 years after such date.

19 **SEC. 405. CONSULTATIONS ON SANITARY AND**
20 **PHYTOSANITARY RESTRICTIONS FOR FRUITS**
21 **AND VEGETABLES.**

22 (a) CONSULTATIONS ON SANITARY AND
23 PHYTOSANITARY RESTRICTIONS FOR FRUITS AND VEGE-
24 TABLES.—The Secretary of Agriculture shall, to the great-
25 est practicable extent, consult with interested persons on

1 sanitary and phytosanitary trade issues. The consultation
2 shall include—

3 (1) annual briefings to interested persons, in-
4 cluding Congress;

5 (2) the development of a strategic risk manage-
6 ment framework; and

7 (3) where appropriate, implementation of peer
8 review for risk analysis.

9 (b) AMENDMENTS.—Section 2104(b)(2)(A)(ii)(II) of
10 the Bipartisan Trade Promotion Authority Act of 2002
11 (19 U.S.C. 3804(b)(2)(A)(ii)(II)) is amended—

12 (1) by striking “whether the products so identi-
13 fied” and inserting “whether—

14 “(aa) the products so identified”;

15 and

16 (2) by adding at the end the following:

17 “(bb) any fruits or vegetables so
18 identified are subject to or likely to be
19 subject to unjustified sanitary or
20 phytosanitary restrictions, including
21 those not based on scientific principles
22 in contravention of the Uruguay
23 Round Agreements, as determined by
24 the United States Trade Representa-
25 tive in consultation with the Agricul-

1 tural Technical Advisory Committee
2 for Trade in Fruits and Vegetables of
3 the Department of Agriculture; and”.

4 (c) EFFECTIVE DATE.—The amendments made by
5 subsection (a) apply with respect to the initiation of nego-
6 tiations to enter into any trade agreement that is subject
7 to the provisions of section 2103(b) of the Bipartisan
8 Trade Promotion Authority Act of 2002 (19 U.S.C.
9 3804(b)) on or after the date of the enactment of this
10 Act.

11 **SEC. 406. MULTI-SPECIES FRUIT FLY RESEARCH AND STER-**
12 **ILE FLY PRODUCTION.**

13 (a) CONSTRUCTION.—The Secretary of Agriculture
14 shall construct a warehouse and irradiation containment
15 facility in Waimanalo, Hawaii, to support fruit fly rearing
16 activities and to house an irradiation to sterilize fruit flies.

17 (b) AUTHORIZATION OF APPROPRIATIONS.—There
18 are authorized to be appropriated—

19 (1) \$15,000,000 for the construction of a ware-
20 house and irradiation containment facility pursuant
21 to subsection (a); and

22 (2) \$1,000,000 for fiscal year 2008 and each
23 subsequent fiscal year for maintenance to the facili-
24 ties constructed pursuant to this section.

1 **SEC. 407. AUDIT-BASED APPROACH TO SPECIALTY CROP**
2 **PHYTOSANITARY REGULATION.**

3 (a) ESTABLISHMENT.—The Secretary of Agriculture
4 shall establish a grant program to develop an audit-based
5 inspection program to protect against the spread of plant
6 pests and to facilitate the interstate movement of plants
7 and plant products.

8 (b) PROGRAM.—The program established under sub-
9 section (a) shall provide grants and other assistance to
10 specialty crop growers or organizations representing such
11 growers or to State and local agencies working with grow-
12 ers and organizations representing such growers for devel-
13 opment and implementation of inspection systems based
14 on audit-based systems such as best management prac-
15 tices to address plant pest and to mitigate the risk of plant
16 pests in the movement of plants and plant products.

17 (c) FUNDING.—The Secretary shall use \$5,000,000
18 of the funds of the Commodity Credit Corporation for each
19 of fiscal years 2008 through 2012 to carry out this sec-
20 tion.

21 **SEC. 408. EARLY PEST DETECTION AND SURVEILLANCE IM-**
22 **PROVEMENT PROGRAM.**

23 (a) COOPERATIVE AGREEMENTS AUTHORIZED.—The
24 Secretary of Agriculture shall enter into a cooperative
25 agreement with each State department of agriculture that
26 agrees to conduct early pest detection surveillance activi-

1 ties in accordance with guidelines established under the
2 Cooperative Agricultural Pest Survey program of the De-
3 partment of Agriculture.

4 (b) CONSULTATION.—The Secretary shall consult
5 with the National Plant Board and the National Associa-
6 tion of State Departments of Agriculture in carrying out
7 this section.

8 (c) BASE FUNDS UNDER AGREEMENTS.—The Sec-
9 retary shall provide each State department of agriculture
10 with which the Secretary enters into a cooperative agree-
11 ment under this section not less than \$250,000 for each
12 of fiscal years 2008 through 2012.

13 (d) ADDITIONAL FUNDS; SPECIAL CONSIDER-
14 ATIONS.—In addition to funds provided under subsection
15 (c), the Secretary shall provide funds to a State depart-
16 ment of agriculture that the Secretary determines is in
17 a State that has a high risk of being affected by one or
18 more pest, based on the following factors:

19 (1) The number of international airports and
20 maritime facilities in that State.

21 (2) The volume of international passenger and
22 cargo entry into that State.

23 (3) The geographic location of that State and
24 if such location is conducive to agricultural pest and

1 disease establishment due to the climate or crop di-
2 versity of that State.

3 (4) Whether the Secretary has declared an
4 emergency in that State pursuant to section 442 of
5 the Plant Protection Act (7 U.S.C. 7772) due to an
6 agricultural pest or disease of Federal concern.

7 (5) Such other factors as the Secretary con-
8 siders appropriate.

9 (e) USE OF FUNDS.—

10 (1) PEST DETECTION AND SURVEILLANCE AC-
11 TIVITIES.—A State department of agriculture that
12 receives funds under this section shall use the funds
13 to carry out early pest detection and surveillance ac-
14 tivities to prevent the introduction of a pest or facili-
15 tate the eradication of a pest.

16 (2) SUBAGREEMENTS.—Notwithstanding this
17 section, a State department of agriculture may use
18 funds received under subsection (c) or (d) to enter
19 into subagreements with political subdivisions in
20 such State that have legal responsibilities relating to
21 agricultural pest and disease surveillance.

22 (3) TREATMENT OF FUNDS.—Not more than 5
23 percent of the funds provided under subsection (c)
24 or (d) may be used for administrative costs to carry
25 out a cooperative agreement under this section.

1 (f) NO EFFECT ON PILT PAYMENTS.—The receipt
2 of funds by the department of agriculture under this sec-
3 tion shall have no effect on the amount of any payment
4 received by the State of such State department of agri-
5 culture under chapter 69 of title 31, United States Code.

6 (g) FUNDING.—The Secretary shall use \$50,000,000
7 of the funds of the Commodity Credit Corporation for each
8 of fiscal years 2008 through 2012 to carry out this sec-
9 tion.

10 (h) DEFINITIONS.—In this section:

11 (1) STATE DEPARTMENT OF AGRICULTURE.—
12 The term “State department of agriculture” means
13 an agency of a State that has a legal responsibility
14 to perform early pest detection and surveillance ac-
15 tivities.

16 (2) EARLY PEST DETECTION AND SURVEIL-
17 LANCE.—The term “early pest detection and surveil-
18 lance” means the full range of activities undertaken
19 to find newly introduced pests, whether new to the
20 United States or new to certain areas of the United
21 States, before the pests become established, or be-
22 fore pest infestations become too large and costly to
23 eradicate or control.

1 (3) PEST.—The term “pest” has the meaning
2 given the term “plant pest” in section 403(14) of
3 the Plant Protection Act (7 U.S.C. 7702(14)).

4 **TITLE V—NUTRITION**

5 **SEC. 501. FINDINGS.**

6 Congress finds the following:

7 (1) Fruits and vegetables offer consumers a
8 healthy and nutritious product that is recognized as
9 critical to the prevention of heart disease, stroke,
10 and some cancers and other chronic diseases, the re-
11 duction of obesity and diabetes, and the maintenance
12 of overall good health.

13 (2) Proper nutrition is critical in promoting
14 good health, preventing disease, and improving qual-
15 ity of life.

16 (3) Agriculture policies and related domestic
17 and international nutrition assistance programs
18 should support incentives and key strategies that
19 help Americans reach national health goals and ulti-
20 mately reduce health care costs.

21 **SEC. 502. EXPANSION OF FRESH FRUIT AND VEGETABLE** 22 **PROGRAM.**

23 Section 18 of the Richard B. Russell National School
24 Lunch Act (42 U.S.C. 1769) is amended in subsection
25 (g)—

1 (1) in paragraph (1)—

2 (A) in the matter preceding subparagraph
3 (A), by striking “July 2004” and inserting
4 “July 2007”; and

5 (B) by amending subparagraphs (A) and
6 (B) to read as follows:

7 “(A) 100 elementary or secondary schools
8 in each State;

9 “(B) additional elementary or secondary
10 schools in each State in proportion to the stu-
11 dent population of the State; and”;

12 (2) in paragraph (3)(A), by striking “paragraph
13 (1)(B)” and inserting “paragraph (1)”;

14 (3) in paragraph (5), in each of subparagraphs
15 (A) and (B), by striking “2008” and inserting
16 “2011”; and

17 (4) in paragraph (6)(B)—

18 (A) in clause (i)—

19 (i) by striking “October 1, 2004, and
20 on each October 1 thereafter,” and insert-
21 ing “October 1, 2007, and on each October
22 1 thereafter,”; and

23 (ii) by striking “\$9,000,000” and in-
24 serting “\$300,000,000”; and

25 (B) by adding at the end the following:

1 “(iii) ADMINISTRATIVE EXPENSES.—
2 For fiscal year 2008 and each succeeding
3 fiscal year, of the amount available to
4 carry out this subsection, the Secretary
5 may reserve not more than 1 percent of
6 that amount for administrative expenses in
7 carrying out this subsection.

8 “(iv) STATE ADMINISTRATIVE
9 COSTS.—For fiscal year 2008 and each
10 succeeding fiscal year, of the amount re-
11 ceived by a State to carry out this sub-
12 section, the State may use not more than
13 5 percent of that amount for administra-
14 tive expenses in carrying out this sub-
15 section. To be eligible to use such funds
16 for such expenses, the State must submit
17 to the Secretary a plan indicating how the
18 State intends to use such funds.

19 “(v) FEDERAL REQUIREMENTS.—The
20 Secretary shall establish requirements to
21 be followed by States in administering this
22 subsection. The initial set of requirements
23 shall be established not later than 1 year
24 after the date of the enactment of this
25 clause.”.

1 **SEC. 503. FRUIT AND VEGETABLE NUTRITION PROMOTION**
2 **PROGRAM.**

3 (a) IN GENERAL.—The Secretary of Agriculture, act-
4 ing through the Administrator of the Agricultural Mar-
5 keting Service, shall establish and carry out a program
6 to provide assistance to eligible trade organizations de-
7 scribed in subsection (c) in support of efforts to increase
8 the consumption of fruits and vegetables in the United
9 States to meet Federal health guidelines.

10 (b) REQUIREMENTS FOR PARTICIPATION.—To be eli-
11 gible for assistance under this section, an eligible trade
12 organization shall—

13 (1) submit to the Administrator of the Agricul-
14 tural Marketing Service a plan, meeting such guide-
15 lines as the Administrator may establish, to increase
16 the consumption of fruits and vegetables in the
17 United States; and

18 (2) meet any other requirements established by
19 the Administrator.

20 (c) ELIGIBLE TRADE ORGANIZATIONS.—An eligible
21 trade organization referred to in subsection (a) means any
22 of the following:

23 (1) A nonprofit fruit and vegetable trade orga-
24 nization in the United States;

25 (2) A nonprofit State or regional fruit and veg-
26 etable organization.

1 (3) A fruit and vegetable agricultural coopera-
2 tive in the United States.

3 (4) A commodity board or commission in the
4 United States.

5 (5) A business engaged in the fruit and vege-
6 table industry in the United States.

7 (d) MATCHING FUNDS.—Assistance provided under
8 this section shall not exceed—

9 (1) in the case of an entity referred to in para-
10 graphs (1) through (4) of subsection (c), 50 percent
11 of the cost of the plan submitted by the entity under
12 subsection (b) and approved by the Administrator of
13 the Agricultural Marketing Service; and

14 (2) in the case of a business referred to in
15 paragraph (5) of such subsection, 50 percent of the
16 cost of the plan submitted by the business under
17 subsection (b) and approved by the Administrator.

18 (e) FUNDING.—The Administrator of the Agricul-
19 tural Marketing Service shall use the funds of the Com-
20 modity Credit Corporation to carry out this section in the
21 following amounts:

22 (1) \$25,000,000 for each of fiscal years 2008
23 and 2009.

24 (2) \$50,000,000 for fiscal year 2010.

25 (3) \$75,000,000 for fiscal year 2011.

1 (4) \$100,000,000 for fiscal year 2012.

2 **SEC. 504. USE OF “DIETARY GUIDELINES FOR AMERICANS”**

3 **IN SPECIAL NUTRITION PROGRAMS AND**

4 **SCHOOL LUNCH PROGRAMS.**

5 Section 9(a) of the Richard B. Russell National
6 School Lunch Act (42 U.S.C. 1758(a)) is amended by add-
7 ing at the end the following:

8 “(5) ALLOCATIONS TO BE BASED ON DIETARY
9 GUIDELINES.—For school year 2007 and each school
10 year thereafter, the Secretary shall ensure that allo-
11 cations of food and food ingredients offered in school
12 nutrition programs under this Act and the Child
13 Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) are
14 based on the most recent Dietary Guidelines for
15 Americans.”.

16 **SEC. 505. SECTION 32 SPECIALTY CROP PURCHASES.**

17 (a) MINIMUM LEVEL OF PURCHASES.—Section 32 of
18 the Act of August 24, 1935 (7 U.S.C. 612c) is amended
19 in the sixth sentence by inserting after “and their prod-
20 ucts” the following: “, and, for each of fiscal years 2008
21 through 2012, the Secretary of Agriculture shall devote
22 not less than \$400,000,000 of sums appropriated under
23 this section to purchases of non-basic agricultural com-
24 modities, such as fruits, vegetables, and other specialty
25 food crops”.

1 (b) EXPANSION OF DOD FRESH PROGRAM.—Such
2 section is further amended by inserting after the sixth sen-
3 tence, as amended by subsection (a), the following new
4 sentence: “Of the funds specified in the preceding sen-
5 tence, the Secretary of Agriculture shall expend not less
6 than \$50,000,000 for fiscal year 2008, \$75,000,000 for
7 both fiscal years 2009 and 2010, \$100,000,000 for fiscal
8 year 2011, and \$125,000,000 for fiscal year 2012 for the
9 purchase of fresh fruits and vegetables for distribution to
10 schools and service institutions in accordance with section
11 6(a) of the Richard B. Russell National School Lunch Act
12 (42 U.S.C. 1755(a)).”.

13 **SEC. 506. SCHOOL PREFERENCE STUDY.**

14 The Secretary of Agriculture shall carry out a study
15 on the preferences of elementary and secondary schools
16 for commodity distribution, including the extent to which
17 such schools prefer commodity distribution to include
18 fruits and vegetables, and submit to Congress a report on
19 the results of the study. The report shall include an anal-
20 ysis of the logistical issues that would impede efforts to
21 increase the extent to which commodity distribution to
22 schools includes fruits and vegetables, and shall include
23 recommendations for improving the availability of fruits
24 and vegetables to schools.

1 **SEC. 507. INDEPENDENT EVALUATION OF DEPARTMENT OF**
2 **AGRICULTURE COMMODITY PURCHASE**
3 **PROCESS.**

4 (a) EVALUATION REQUIRED.—The Secretary of Agri-
5 culture shall arrange to have performed an independent
6 evaluation of the commodity purchasing processes (and
7 the statutory and regulatory authority underlying such
8 processes) used by the Department of Agriculture to re-
9 move surplus commodities from the market and support
10 commodity prices and producer incomes, especially with
11 regard to activities under section 32 of the Act of August
12 24, 1935 (7 U.S.C. 612c) and the importance of increas-
13 ing purchases of perishable specialty crops.

14 (b) SUBMISSION OF RESULTS.—Not later than one
15 year after the date of the enactment of this Act, the Sec-
16 retary of Agriculture shall submit to Congress a report
17 on the results of the evaluation.

18 **SEC. 508. AMENDMENTS TO THE FOOD STAMP PROGRAM.**

19 (a) DEFINITION.—Section 3 of the Food Stamp Act
20 of 1977 (7 U.S.C. 2012) is amended by adding at the end
21 the following:

22 “(v) ‘food stamp nutrition education’ means direct
23 education, group activities, community health promotion,
24 and comprehensive public health approaches (including
25 but not limited to, social marketing, mass media, public-
26 private partnerships, policy, systems and environmental

1 changes, and evaluation) that promote healthy eating and
 2 make healthy food and physical activity choices more de-
 3 sired, affordable, and accessible. To serve all those poten-
 4 tially eligible for food stamps, nutrition education pro-
 5 grams should be designed to reach large numbers of low-
 6 income individuals. Programs shall support behavior
 7 change consistent with the 2005 Dietary Guidelines for
 8 Americans, including a diet rich in fruits and vegetables,
 9 whole grains, and low-fat milk products.”.

10 (b) ADMINISTRATION.—Section 11(e)(1)(A) of the
 11 Food Stamp Act of 1977 (7 U.S.C. 2020(e)(1)(A) is
 12 amended by inserting “, and provide food stamp nutrition
 13 education” after “program” .

14 **SEC. 509. SENSE OF THE CONGRESS REGARDING NUTRI-**
 15 **TIONAL SUPPLEMENTS.**

16 It is the sense of the Congress that benefits provided
 17 under the Food Stamp Act of 1977 should not be available
 18 to purchase nutrition supplements or anything other than
 19 food.

20 **SEC. 510. FOOD STAMP FRUIT AND VEGETABLE EBT PILOT**
 21 **PROJECT.**

22 (a) FINDING.—The Congress finds that increased
 23 consumption of fruits and vegetables by participants in the
 24 food stamp program will significantly improve the overall
 25 dietary habits of such participants.

1 (b) PILOT PROJECT.—The Secretary of Agriculture
2 shall establish and carry out a pilot project that will pro-
3 vide to each participant in the food stamp program who
4 receives benefits in the form of an electronic benefit trans-
5 fer, financial incentives for each dollar of such benefits
6 expended by such recipient to facilitate the purchase of
7 fresh fruits and vegetables.

8 (c) AUTHORIZATION OF APPROPRIATIONS.—There is
9 authorized to be appropriated \$10,000,000 for each of 5
10 fiscal years to carry out this section.

11 **SEC. 511. DECENNIAL EVALUATIONS OF WIC FOOD PACK-**
12 **AGES.**

13 Section 17(e) of the Child Nutrition Act of 1966 (42
14 U.S.C. 1786(e)) is amended by adding at the end the fol-
15 lowing:

16 “(6) DECENNIAL EVALUATION.—In 2015, and
17 every 10 years thereafter, the Secretary shall ar-
18 range for the National Academy of Sciences, Insti-
19 tute of Medicine, to evaluate, in light of the most re-
20 cent Dietary Guidelines for Americans, the food
21 packages used in carrying out this section and to
22 recommend changes to those packages to reflect cur-
23 rent public health concerns, nutrition science, and
24 the diverse cultures the program serves.”.

1 **SEC. 512. EXTENSION OF WIC FARMERS' MARKET NUTRI-**
 2 **TION PROGRAM.**

3 Section 17(m)(9)(A) of the Child Nutrition Act of
 4 1966 (42 U.S.C. 1786(m)(9)(A)) is amended—

5 (1) in clause (i), by striking “2009” and insert-
 6 ing “2013”; and

7 (2) by striking clause (ii) and inserting the fol-
 8 lowing:

9 “(ii) MANDATORY FUNDING.—Of the
 10 funds of the Commodity Credit Corpora-
 11 tion, the Secretary shall make available to
 12 carry out this subsection \$20,000,000 for
 13 fiscal year 2008, \$30,000,000 for fiscal
 14 year 2009, \$45,000,000 for fiscal year
 15 2010, \$60,000,000 for fiscal year 2011,
 16 and not less than \$75,000,000 for fiscal
 17 year 2012 and each fiscal year thereafter.
 18 Such funds shall remain available until ex-
 19 pended.”.

20 **SEC. 513. SENIOR FARMERS' MARKET NUTRITION PRO-**
 21 **GRAM.**

22 Section 4402 of the Farm Security and Rural Invest-
 23 ment Act of 2002 (7 U.S.C. 3007) is amended—

24 (1) in subsection (a) by striking “\$5,000,000”
 25 and all that follows through “2007”, and inserting
 26 “\$20,000,000 for fiscal year 2008, \$30,000,000 for

1 fiscal year 2009, \$45,000,000 for fiscal year 2010,
2 \$60,000,000 for fiscal year 2011, and not less than
3 \$75,000,000 for fiscal year 2012 and each fiscal
4 year thereafter”;

5 (2) in subsection (b)—

6 (A) in paragraph (2) by striking “and” at
7 the end,

8 (B) in paragraph (3) by striking the period
9 at the end and inserting “; and”, and

10 (C) by adding at the end the following:

11 “(4) to promote the transition to organic and
12 other environmentally beneficial food production sys-
13 tems.”; and

14 (3) by adding at the end the following new sub-
15 section:

16 “(d) ELIGIBLE PARTICIPANTS; BENEFIT LEVELS.—

17 The regulations required by subsection (c)—

18 “(1) shall allow for participation by farmers’
19 markets, and roadside stands, community supported
20 agriculture programs; and

21 “(2) shall not limit the ability of State or re-
22 gional programs to set benefit levels per individual
23 senior.”.

TITLE VI—AGRICULTURAL RESEARCH

SEC. 601. SPECIALTY CROPS ECONOMIC AND POLICY RE- SEARCH INSTITUTE.

(a) ESTABLISHMENT.—A Specialty Crop Economic and Policy Research Institute is established to study economic and public policy issues that affect the competitiveness of United States specialty crops from a regional and national perspective.

(b) MEMBER INSTITUTIONS.—The Specialty Crop Economic and Policy Research Institute shall operate as a collaborative among the following academic institutions:

(1) Arizona State University: Morrison School of Management and Agribusiness.

(2) California Polytechnic State University, San Luis Obispo: California Institute for the Study of Specialty Crops.

(3) California State University, Fresno: Center for Agricultural Business.

(4) Cornell University: Department of Applied Economics and Management.

(5) Michigan State University: Department of Agricultural Economics.

(6) University of California: Agricultural Issues Center.

1 (7) University of Florida: International Agricul-
2 tural Trade and Policy Center.

3 (8) Washington State University: IMPACT
4 Center.

5 (c) MANAGEMENT.—The Specialty Crop Economic
6 and Policy Research Institute shall be coordinated and
7 managed by the California Polytechnic State University,
8 San Luis Obispo. The California Polytechnic State Uni-
9 versity shall direct funding to, and coordinate and facili-
10 tate the economic and policy research activities of, the
11 members institutions.

12 (d) OTHER PARTICIPATION.—The members of the
13 Specialty Crop Economic and Policy Research Institute
14 are encouraged to collaborate with other universities, aca-
15 demic bodies, and researchers with regional and national
16 expertise.

17 (e) ADVISORY BOARDS.—

18 (1) NATIONAL ADVISORY BOARD.—

19 (A) ESTABLISHMENT.—The Specialty
20 Crop Economic and Policy Research Insti-
21 tute shall establish a national advisory
22 board.

23 (B) MEMBERSHIP.—The national ad-
24 visory board shall be comprised of the fol-
25 lowing:

1 (i) A representative of the re-
2 gional advisory boards.

3 (ii) A representative of each of
4 the members of the Specialty Crop
5 Economic and Policy Research Insti-
6 tute.

7 (iii) A representative from the
8 Office of Chief Economist or Eco-
9 nomic Research Service of the Depart-
10 ment of Agriculture.

11 (iv) A representative from the
12 Committee on Agriculture of the
13 House of Representatives.

14 (v) A representative from the
15 Committee on Agriculture, Nutrition,
16 and Forestry of the Senate.

17 (C) CHAIRPERSON.—A chairperson
18 for the national advisory board shall be
19 chosen by consensus of the members of the
20 board.

21 (2) REGIONAL ADVISORY BOARD.—

22 (A) ESTABLISHMENT.—Each member
23 of the Specialty Crop Economic and Policy
24 Research Institute representing a region of
25 the United States, including Great Lakes

1 States, Mountain States, Northeast States;
2 Northwest States, Southern States, and
3 Western States shall establish a regional
4 advisory board and appoint the members of
5 that advisory board.

6 (B) MEMBERSHIP.—The regional ad-
7 visory boards shall be comprised of spe-
8 cialty crop producers from the region's
9 States. The Secretary, Commissioner, or
10 Director of the region's State agriculture
11 departments shall be invited to participate
12 in the regional advisory board as ex officio
13 members.

14 (C) CHAIRPERSON.—A chairperson of
15 each regional advisory board shall be cho-
16 sen by consensus of the members of that
17 board.

18 (3) ROLE.—The role of the advisory
19 boards shall be to—

20 (A) provide information and prioritize
21 economic and public policy issues from a
22 regional and national perspective; and

23 (B) review and comment in regards to
24 the research projects funded by the Spe-

1 specialty Crop Economic and Policy Research
2 Institute.

3 (4) ANNUAL MEETING.—The advisory
4 boards shall each meet, at minimum, annually.

5 (f) INSTITUTE OBJECTIVES.—The objectives of the
6 Specialty Crop Economic and Policy Research Institute
7 shall be as follows:

8 (1) To provide Congress with a resource for
9 analysis of the specialty crop sector, including the
10 impact of changes in domestic and international
11 markets, production and new product technologies,
12 alternative policies and macroeconomic conditions on
13 specialty crop production, use, farm and retail
14 prices, and farm income and financial stability from
15 a national, regional, and farm-level perspective.

16 (2) To provide annual review of the economic
17 state of the specialty crop industry from a regional
18 perspective.

19 (3) To provide specialty crop producers with
20 World Wide Web-based risk management tools that
21 can be used to assess the impact of policy, market,
22 and technological change on their production oper-
23 ations.

24 (4) To develop an information series that pro-
25 vides applied information useful to specialty crop

1 growers, their associations, and other interested
2 stakeholders in evaluating that industry from a re-
3 gional and national perspective.

4 (5) To disseminate the results of research
5 through printed reports, workshops, specialty crop
6 grower association meetings, and on the World Wide
7 Web.

8 (6) To provide research and policy internship
9 opportunities for undergraduate and graduate stu-
10 dents.

11 (g) FUNDING.—

12 (1) IN GENERAL.—Of the funds of the Com-
13 modity Credit Corporation, the Secretary shall make
14 available to carry out this section the following:

15 (A) For fiscal year 2008, \$3,800,000.

16 (B) For fiscal year 2009, \$4,000,000.

17 (C) For fiscal year 2010, \$4,000,000.

18 (D) For fiscal year 2011, \$4,000,000.

19 (2) INDIRECT AND DIRECT.—The Secretary
20 may use funds made available under this subsection
21 for direct and indirect costs of carrying out this sec-
22 tion. Indirect costs shall not to exceed 12.5 percent
23 of the total costs.

1 **SEC. 602. DEVELOPMENT OF SPECIALTY CROP PRIORITY**
2 **FOR THE NATIONAL RESEARCH INITIATIVE.**

3 The Secretary of Agriculture shall develop a specialty
4 crop priority area within the overall areas of emphasis of
5 the National Research Initiative. Funds available to the
6 Secretary for the specialty crop priority area shall be ex-
7 pended on the applied research and extension programs
8 that increase the quality of specialty crop research. The
9 National Research Initiative peer review process shall in-
10 clude representation from the specialty crop sector.

11 **SEC. 603. ESTABLISHMENT OF SPECIALTY CROP RESEARCH**
12 **GRANTS PROGRAM FOR PRODUCERS TO IM-**
13 **PROVE EFFICIENCY AND COMPETITIVENESS.**

14 (a) ESTABLISHMENT.—The Secretary of Agriculture
15 shall establish a program to award grants to eligible enti-
16 ties to improve the efficiency and competitiveness of
17 United States specialty crop producers.

18 (b) ELIGIBLE ENTITIES.—The Secretary shall deter-
19 mine eligible entities for grants under this section. Such
20 entities shall include Federal agencies, nonprofit United
21 States specialty crop trade organizations and foundations,
22 nonprofit State and regional specialty crop organizations,
23 United States specialty crop agricultural cooperatives,
24 commodity boards and commissions, university research
25 and extension programs, and businesses in the specialty
26 crop industry.

1 (c) USE OF FUNDS.—Funds from grants under this
2 program shall be used for one or more of the following:

3 (1) Research that addresses the short-term, in-
4 termediate, and long term needs of the United
5 States specialty crop industry in production tech-
6 nology (such as plant breeding, pest management,
7 production, physiology, food science, and nutrition).

8 (2) Mechanization, marketing, product develop-
9 ment, food security, and food safety to improve the
10 competitiveness of the United States specialty crop
11 industry.

12 (3) Development and implementation of indus-
13 try-specific strategic plans to prioritize research and
14 develop United States specialty crop industry and
15 research collaboration.

16 (d) FUNDING.—

17 (1) IN GENERAL.—Of the funds of the Com-
18 modity Credit Corporation, the Secretary shall make
19 available \$200,000,000 for each of fiscal years 2008
20 through 2012 to carry out this section.

21 (2) FEDERAL COSTS.—Federal costs shall not
22 exceed 50 percent of the total cost of a research
23 project funded under this section.

1 **SEC. 604. NATIONAL CLEAN PLANT NETWORK.**

2 (a) ESTABLISHMENT.—There is established in the
3 Department of Agriculture, as part of the Cooperative
4 State Research, Education, and Extension Service, a pro-
5 gram to be known as the “National Clean Plant Net-
6 work”. The Secretary of Agriculture shall use the network
7 to develop a sustainable national funding source for clean
8 planting stock programs for horticultural crops deter-
9 mined by the Secretary to be of priority for the United
10 States. Such funding shall be used to award grants to enti-
11 ties that have the expertise, facilities, and climate nec-
12 essary to efficiently produce, maintain, and distribute
13 healthy planting stock for specialty crops.

14 (b) PRIORITIES.—Section 1408A(c) of the Specialty
15 Crops Competitiveness Act of 2004 (7 U.S.C. 3123a(c))
16 is amended by adding at the end the following:

17 “(4) Priorities for Federal research activities
18 related to United States specialty crops.”.

19 (c) FUNDING.—Of the funds of the Commodity Cred-
20 it Corporation, the Secretary of Agriculture shall make
21 available \$5,000,000 for each of fiscal years 2008 through
22 2012 to carry out this section.

23 **SEC. 605. PRIORITIZING CURRENT FEDERAL RESEARCH AC-**
24 **TIVITIES FOR SPECIALTY CROPS.**

25 The Secretary of Agriculture shall—

1 (1) coordinate with and assist producers and
2 organizations comprised of key stakeholders working
3 together to develop and implement applied research
4 and extension related to the United States specialty
5 crop industry;

6 (2) facilitate in the delivery of information to
7 key stakeholders in a user-friendly form, in addition
8 to a standard research publication, and reward pro-
9 viders for their abilities to deliver information to
10 both the scientific community and the end-user;

11 (3) ensure that research and extension activities
12 conducted by Federal agencies be required to have
13 industry-appointed panels involved in the
14 prioritization, administration, and oversight of use of
15 Federal available to develop and implement applied
16 research and extension related to the United States
17 specialty crop industry; and

18 (4) ensure coordination among research initia-
19 tives funded and sponsored by the Department of
20 Agriculture.

1 **TITLE VII—RENEWABLE ENERGY**

2 **SEC. 701. INVENTORY OF SPECIALTY CROP BIOMASS WASTE**

3 **AS PART OF ANNUAL ASSESSMENT OF RE-**

4 **NEWABLE ENERGY RESOURCES.**

5 Section 201 of the Energy Policy Act of 2005 (Public
6 Law 109–58; 42 U.S.C. 15851) is amended—

7 (1) by redesignating subsection (c) as sub-
8 section (d); and

9 (2) by inserting after subsection (b) the fol-
10 lowing new subsection:

11 “(c) INVENTORY OF SPECIALTY CROP BIOMASS.—

12 “(1) INVENTORY.—As part of each assessment
13 of biomass renewable energy resources under sub-
14 section (a), the Secretary shall develop an inventory,
15 on a State and county basis, of specialty crop bio-
16 mass that could be potentially utilized in the produc-
17 tion of electric energy, useful heat, transportation
18 fuels, petroleum-based product substitutes, and
19 other value-added products.

20 “(2) COOPERATION AND FUNDING.—The Sec-
21 retary shall prepare the inventory in cooperation
22 with the Secretary of Agriculture, and the Secretary
23 of Agriculture may contribute up to \$25,000,000 of
24 funds of the Commodity Credit Corporation each fis-
25 cal year to assist in the development of the inven-

1 tory. Amounts contributed under this paragraph are
 2 in addition to amounts appropriated pursuant to the
 3 authorization of appropriations in subsection (d).

4 “(3) DEFINITIONS.—In this subsection:

5 “(A) SPECIALTY CROP.—The term ‘spe-
 6 cialty crop’ has the meaning given that term in
 7 section 3(1) of the Equitable Agriculture Today
 8 for a Healthy America Act.

9 “(B) SPECIALTY CROP BIOMASS.—The
 10 term ‘specialty crop biomass’ means agricul-
 11 tural waste from specialty crop production, in-
 12 cluding waste derived from orchard tree crops,
 13 vineyard crops, and nut crops, and other fruit
 14 and vegetable byproducts or residues.”.

15 **SEC. 702. DEPARTMENT OF AGRICULTURE BIOENERGY**
 16 **PROGRAM.**

17 (a) DEFINITION OF ELIGIBLE COMMODITIES UNDER
 18 PROGRAM.—Subsection (a)(3) of section 9010 of the
 19 Farm Security and Rural Investment Act of 2002 (7
 20 U.S.C. 8108) is amended—

21 (1) by redesignating subparagraphs (B), (C),
 22 and (D) as subparagraphs (C), (D), and (E), respec-
 23 tively; and

24 (2) by inserting after subparagraph (A) the fol-
 25 lowing new subparagraph:

1 “(B) specialty crop agricultural waste, in-
2 cluding waste derived from orchard tree crops,
3 vineyard crops, and nut crops, and other fruit
4 and vegetable byproducts or residues.”.

5 (b) REAUTHORIZATION.—Subsection (c) of such sec-
6 tion is amended by striking paragraph (2) and inserting
7 the following new paragraph:

8 “(2) \$50,000,000 for each of fiscal years 2008
9 through 2012.”.

10 **SEC. 703. GRANTS FOR DEVELOPMENT OF SPECIALTY CROP**
11 **BIOENERGY PROJECTS.**

12 (a) BIOMASS COMMERCIAL USE GRANT PROGRAM.—
13 The Secretary of Agriculture may make a grant to an eli-
14 gible entity for the purpose of assisting the person to de-
15 velop a business plan to use specialty crop waste and resi-
16 dues as a raw material to produce electric energy, sensible
17 heat, transportation fuels, substitutes for petroleum-based
18 products, or other value-added products.

19 (b) GRANT SHARE.—A grant under this section may
20 not cover more than 50 percent of the cost to develop the
21 business plan for which the grant is made.

22 (c) SELECTION.—The Secretary shall select grant re-
23 cipients under this section after giving consideration to the
24 anticipated public benefits of the project, including the
25 quantity of specialty crop waste and residues to be used

1 by the resulting facility, opportunities for the creation or
2 expansion of specialty crop bioenergy industries, and the
3 potential for new job creation.

4 (d) MONITORING OF GRANT RECIPIENT ACTIVITIES.—As a condition of a grant under this section, the
5 grant recipient shall keep such records as the Secretary
6 may require to fully and accurately disclose the use of the
7 grant funds.

8 (e) REPORT.—Not later than October 1, 2010, the
9 Secretary of Agriculture shall submit to Congress a report
10 describing the results of the grant program authorized by
11 this section.

12 (f) FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary of Agriculture shall make
13 available—

14 (1) \$25,000,000 for fiscal years 2008 and
15 2009,

16 (2) \$50,000,000 for fiscal year 2010, and

17 (3) \$75,000,000 for fiscal years 2011 and
18 2012,

19 to carry out this section.

20 (g) DEFINITION.—In this section, the term “eligible
21 entity” means a college, university, Indian tribe, State de-
22 partment of agriculture or energy, or research center con-

1 ducting scientific research on ethanol production from spe-
2 cialty crops.

3 **TITLE VIII—MISCELLANEOUS**
4 **PROVISIONS**

5 **SEC. 801. SPECIALTY CROP BLOCK GRANTS.**

6 (a) EXTENSION OF PROGRAM.—Subsection (a) of
7 section 101 of the Specialty Crops Competitiveness Act
8 of 2004 (Public Law 108–465; 7 U.S.C. 1621 note) is
9 amended by striking “2009” and inserting “2012”.

10 (b) FUNDING SOURCE AND INCREASE IN ANNUAL
11 FUNDING.—Subsection (i) of such section is amended to
12 read as follows:

13 “(i) FUNDING.—The Secretary of Agriculture shall
14 use \$500,000,000 of funds of the Commodity Credit Cor-
15 poration for each of the fiscal years 2008 through 2012
16 to make grants under this section.”.

17 (c) CONFORMING AMENDMENTS.—Such section is
18 further amended—

19 (1) in subsection (a), by striking “Subject to
20 the appropriation of funds to carry out this section”
21 and inserting “Using the funds made available
22 under subsection (i)”;

23 (2) in subsection (b), by striking “appropriated
24 pursuant to the authorization of appropriations in”
25 and inserting “made available under”; and

1 (3) in subsection (c), by striking “Subject to
2 the appropriation of sufficient funds to carry out
3 this subsection, each” and inserting “Each”.

4 **SEC. 802. FEDERAL INSECTICIDE, FUNGICIDE, AND**
5 **RODENTICIDE ACT; REQUESTS BY STATE**
6 **AGENCIES FOR EXEMPTIONS.**

7 Section 18 of the Federal Insecticide, Fungicide, and
8 Rodenticide Act (7 U.S.C. 136p) is amended—

9 (1) by striking “The Administrator may,” and
10 inserting the following:

11 “(a) IN GENERAL.—The Administrator may,”; and

12 (2) by adding at the end the following:

13 “(b) REQUEST FOR EXEMPTION; REPORT TO CON-
14 GRESS IN CASE OF DELAY.—If a State agency requests
15 an exemption under subsection (a) and the Administrator
16 does not approve or deny the request within the 50-day
17 period beginning on the date on which the request was
18 submitted to the Administrator, the Administrator shall
19 submit to the Committee on Agriculture in the House of
20 Representatives, and the Committee on Agriculture, Nu-
21 trition, and Forestry in the Senate, a report that provides
22 notice of such fact and an explanation of the reasons un-
23 derlying the failure of the Administrator to approve or
24 deny the request within such period.”.

1 **SEC. 803. PROTECTION OF INTELLECTUAL PROPERTY**
2 **RIGHTS IN PLANTS AND PLANT-DERIVED MA-**
3 **TERIAL.**

4 (a) ESTABLISHMENT.—The Secretary of Agriculture
5 shall expand the Office of Technology Transfer of the De-
6 partment of Agriculture for the purpose of encouraging
7 the development and protection of intellectual property
8 rights in plants and material derived from plants.

9 (b) DUTIES.—The office shall be an advocate for the
10 interests of United States producers of specialty crops—

11 (1) before the Office of Patents, Trademarks,
12 and Copyrights of the United States Department of
13 Commerce and other Federal agencies; and

14 (2) in international governmental and non-
15 governmental organizations dealing with intellectual
16 property rights.

17 (c) AUTHORIZATION OF APPROPRIATIONS.—There is
18 authorized to be appropriated to the Secretary of Agri-
19 culture \$10,000,000 for each of fiscal years 2008 through
20 2012 to carry out this section.

21 **SEC. 804. GRANT PROGRAM TO IMPROVE TRANSPOR-**
22 **TATION INFRASTRUCTURE TO REDUCE COST**
23 **OF TRANSPORTATION OF SPECIALTY CROPS.**

24 (a) GRANTS AUTHORIZED.—The Secretary of Agri-
25 culture, acting through the Transportation Services
26 Branch of the Department of Agriculture, may make

1 grants under this section to an eligible entity described
2 in subsection (b)—

3 (1) to expand and improve transportation infra-
4 structure to improve the cost-effective movement of
5 specialty crops to local, regional, national, and inter-
6 national markets; and

7 (2) to address regional intermodal transpor-
8 tation deficiencies that adversely affect the move-
9 ment of specialty crops to markets inside or outside
10 the United States.

11 (b) ELIGIBLE GRANT RECIPIENTS.—Grants may be
12 made under this section to any of the following (or a com-
13 bination thereof):

14 (1) State and local governments.

15 (2) Grower cooperatives.

16 (3) Individual specialty crop producers or
17 groups of producers.

18 (4) Individual shippers or State or regional pro-
19 ducer and shipper organizations.

20 (5) Nonprofit organizations involved in the
21 trucking trade and research related to the trucking
22 trade.

23 (c) MATCHING FUNDS.—The recipient of a grant
24 under this section shall contribute an amount of non-Fed-
25 eral funds toward the project for which the grant is pro-

1 vided that is at least equal to the amount of grant funds
2 received by the recipient under this section.

3 (d) FUNDING.—The Secretary of Agriculture shall
4 use \$75,000,000 of funds of the Commodity Credit Cor-
5 poration for each of the fiscal years 2008 through 2012
6 to make grants under this section.

7 **SEC. 805. ADDITIONAL FUNDS FOR AGRICULTURAL MAR-**
8 **KETING SERVICE SPECIALTY CROP MARKET**
9 **NEWS ACTIVITIES.**

10 From funds of the Commodity Credit Corporation,
11 the Secretary of Agriculture shall transfer \$9,000,000 for
12 each of the fiscal years 2008 through 2012 to the Agricul-
13 tural Marketing Service to support the market news activi-
14 ties of the Agricultural Marketing Service regarding spe-
15 cialty crops.

16 **SEC. 806. VALUE-ADDED GRANTS TO PROMOTE CREATION,**
17 **EXPANSION, OR OPERATION OF VALUE-**
18 **ADDED PROCESSING OF SPECIALTY CROPS.**

19 The Secretary of Agriculture shall use \$60,000,000
20 of funds of the Commodity Credit Corporation for each
21 of the fiscal years 2008 through 2012 to make grants to
22 promote the creation, expansion, or operation of value-
23 added processing in connection with the production of a
24 specialty crop.

1 **SEC. 807. ELIGIBILITY OF LABORERS ADMITTED FOR TEM-**
2 **PORARY RESIDENCE FOR RURAL HOUSING**
3 **SERVICE FARM LABOR HOUSING.**

4 (a) IN GENERAL.—Subparagraph (A) of section
5 514(f)(3) of the Housing Act of 1949 (42 U.S.C.
6 1484(f)(3)(A)) is amended—

7 (1) by striking “or” and inserting a comma;
8 and

9 (2) by inserting before the semicolon the fol-
10 lowing: “, or a nonimmigrant described in section
11 101(a)(15)(H)(ii)(a) of the Immigration and Nation-
12 ality Act (8 U.S.C. 1101(a)(15)(H)(ii)(a))”.

13 (b) APPLICABILITY.—The amendment made by sub-
14 section (a) shall apply with respect to loans and grants
15 made on, before, or after the date of the enactment of
16 this Act.

17 **SEC. 808. FOOD SAFETY INITIATIVES.**

18 (a) INITIATIVE AUTHORIZED.—The Secretary may
19 carry out a food safety education program to educate the
20 persons involved in the fresh produce industry and the
21 public about—

22 (1) scientifically proven practices for reducing
23 microbiological pathogens on fresh produce; and

24 (2) methods of reducing the threat of cross-con-
25 tamination of fresh produce through unsanitary han-
26 dling practices.

1 (b) COOPERATION.—The Secretary may carry out the
2 program described in subsection (a) in cooperation with
3 public or private partners.

4 (c) FUNDING.—The Secretary shall use \$5,000,000
5 of the funds of the Commodity Credit Corporation for fis-
6 cal years 2008 through 2012 to carry out this section.

7 **SEC. 809. IMPLEMENTATION OF FOOD SAFETY PROGRAMS**
8 **UNDER MARKETING ORDERS.**

9 Section 8c(7) of the Agricultural Adjustment Act (7
10 U.S.C. 608c(7)), reenacted with amendments by the Agri-
11 cultural Marketing Agreement Act of 1937, is amended
12 by adding at the end the following:

13 “(E) In the case of an order related to a
14 specialty crop (as such term is defined in sec-
15 tion 3(1) of the Specialty Crops Competitive-
16 ness Act of 2004 (Public Law 108–465; 118
17 Stat. 3883)), authorizing the implementation of
18 food safety programs, such as the implementa-
19 tion of International Organization for Stand-
20 ardization 9000 standards and Hazard Analysis
21 Critical Control Points programs, designed to
22 enhance the safety of the specialty crop and
23 products derived from specialty crops.”.

1 **SEC. 810. CENSUS OF SPECIALTY CROPS; DISSEMINATION**
2 **OF INFORMATION.**

3 (a) CENSUS.—

4 (1) IN GENERAL.—In 2008, and every five
5 years thereafter, the Secretary of Agriculture shall
6 conduct a census of specialty crops.

7 (2) INCLUSION IN CENSUS ON AGRICULTURE.—

8 The Secretary may include the census conducted
9 under paragraph (1) in the census on agriculture.

10 (b) DISSEMINATION OF INFORMATION.—The Sec-
11 retary shall regularly develop and disseminate information
12 to the public relating to specialty crops.

13 **SEC. 811. OFFICE OF PESTICIDE PROGRAMS.**

14 (a) ESTABLISHMENT.—

15 (1) IN GENERAL.—The Secretary of Agriculture
16 shall establish an Office of Pesticide Programs (in
17 this section referred to as the “Office”).

18 (2) DIRECTOR.—The head of the Office shall be
19 a director (referred to in this Section as the “Direc-
20 tor”) who shall—

21 (A) be appointed by the Secretary; and

22 (B) report directly to the Secretary or a
23 designee of the Secretary.

24 (b) DUTIES.—The Director shall—

1 (1) develop and coordinate the policy of the De-
2 partment of Agriculture on pest management and
3 pesticides;

4 (2) coordinate activities and services of the De-
5 partment (including research, extension, and edu-
6 cation activities) regarding the development, avail-
7 ability, and use of economically and environmentally
8 sound pest management tools and practices;

9 (3) assist other agencies of the Department in
10 fulfilling the responsibilities of those agencies related
11 to pest management or pesticides under—

12 (A) the Food Quality Protection Act of
13 1996 (7 U.S.C. 136 note; Public Law 104–
14 170);

15 (B) the Federal Insecticide, Fungicide, and
16 Rodenticide Act (7 U.S.C. 136 et seq.);

17 (C) the Federal Food, Drug, and Cosmetic
18 Act (21 U.S.C. 301 et seq.); and

19 (D) other applicable laws, as determined
20 by the Secretary; and

21 (4) carry out such other functions as may be
22 prescribed by the Secretary.

23 (c) INTERAGENCY COORDINATION.—The Director
24 shall, to the maximum extent practicable, ensure coordina-
25 tion of interagency activities with—

- 1 (1) the Environmental Protection Agency;
- 2 (2) the Food and Drug Administration; and
- 3 (3) other applicable Federal and State agencies,
- 4 as determined by the President.

5 (d) OUTREACH.—The Director shall consult with ag-
6 ricultural producers, as appropriate, that may be affected
7 by pest management or pesticide related activities or ac-
8 tions of the Department or other agencies.

9 (e) FUNDING.—The Secretary shall use \$5,000,000
10 of the funds of the Commodity Credit Corporation for each
11 of fiscal years 2008 through 2012 to carry out this sec-
12 tion.

○