

112TH CONGRESS
2D SESSION

H. R. 5955

To amend the Farm Security and Rural Investment Act of 2002 to improve energy programs.

IN THE HOUSE OF REPRESENTATIVES

JUNE 18, 2012

Ms. KAPTUR (for herself, Mr. KIND, Ms. PINGREE of Maine, Mr. HINCHEY, Mr. BRALEY of Iowa, Mr. BOSWELL, Mr. LUJÁN, Mr. BUTTERFIELD, Mr. RYAN of Ohio, Mrs. CHRISTENSEN, Mr. LOEBSACK, Ms. LEE of California, Ms. RICHARDSON, Mr. WALZ of Minnesota, Mr. MICHAUD, Mr. BLUMENAUER, and Ms. FUDGE) introduced the following bill; which was referred to the Committee on Agriculture, and in addition to the Committees on Oversight and Government Reform and Science, Space, and Technology, 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 amend the Farm Security and Rural Investment Act of 2002 to improve energy programs.

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.**

4 This Act may be cited as the “Rural Energy Invest-
5 ment Act of 2012”.

1 **SEC. 2. FINDINGS.**

2 Congress finds that—

3 (1) production of energy from domestic sources
4 offers considerable economic and energy security
5 benefits to the United States, including enduring
6 and desirable jobs;

7 (2) the agricultural and forestry sectors of the
8 United States offer significant potential for produc-
9 tion of renewable energy;

10 (3) both renewable energy production and adop-
11 tion of energy efficiency offer considerable environ-
12 mental benefits; and

13 (4) investments in energy efficiency projects
14 and renewable energy systems in rural areas of the
15 United States provide very significant energy secu-
16 rity, economic, and environmental benefits to the en-
17 tire United States in addition to the rural area bene-
18 fits.

19 **SEC. 3. DEFINITIONS.**

20 Section 9001 of the Farm Security and Rural Invest-
21 ment Act of 2002 (7 U.S.C. 8101) is amended—

22 (1) in paragraph (6)—

23 (A) in subparagraph (C), by striking “or”
24 at the end;

25 (B) in subparagraph (D), by striking the
26 period at the end and inserting “; or”; and

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

3 “(E) renewable chemicals.”;

4 (2) in paragraph (7)(A), by striking “and
5 biobased products” and inserting “, renewable
6 chemicals, or biobased products”;

7 (3) in paragraph (11), by inserting “(including
8 a renewable chemical)” after “material or com-
9 pound”;

10 (4) by redesignating paragraphs (13) and (14)
11 as paragraphs (14) and (15), respectively; and

12 (5) by inserting after paragraph (12) the fol-
13 lowing new paragraph:

14 “(13) RENEWABLE CHEMICAL.—The term ‘re-
15 newable chemical’ means a monomer, polymer, plas-
16 tic, formulated product, or chemical substance pro-
17 duced from renewable biomass.”.

18 **SEC. 4. BIOBASED MARKETS PROGRAM.**

19 Section 9002 of the Farm Security and Rural Invest-
20 ment Act of 2002 (7 U.S.C. 8102) is amended—

21 (1) in subsection (a)—

22 (A) in paragraph (3), by adding at the end
23 the following new subparagraphs:

24 “(F) BIOBASED PRODUCT DESIGNA-
25 TIONS.—Not later than 1 year after the date of

1 enactment of this subparagraph, the Secretary
2 shall—

3 “(i) increase the number of categories
4 of biobased products designated and indi-
5 vidual biobased products eligible for pre-
6 ferred purchasing by 50 percent;

7 “(ii) begin to designate intermediate
8 ingredients or feedstocks in the guidelines
9 issued under this paragraph; and

10 “(iii) develop a recommendation for
11 the designation of complex and finished
12 biobased products in those guidelines.

13 “(G) CHANGES IN PROCUREMENT MECHA-
14 NISMS.—

15 “(i) ELECTRONIC PRODUCT PROCURE-
16 MENT CATALOGS.—The Secretary shall
17 work with relevant officials in agencies
18 that have electronic product procurement
19 catalogs to identify and implement solu-
20 tions to increase the visibility of biobased
21 and other sustainable products.

22 “(ii) AGENCY-SPECIFIC PRODUCT
23 SPECIFICATIONS.—

24 “(I) IN GENERAL.—Not later
25 than 1 year after the date of enact-

1 ment of this subparagraph and every
2 4 years thereafter, the Secretary, in
3 coordination with other appropriate
4 officials, shall work with the senior
5 sustainability officer of each agency
6 that has established agency-specific
7 product specifications to review and
8 revise the product specifications to en-
9 sure that, to the maximum extent
10 practicable, the product specifica-
11 tions—

12 “(aa) require the use of sus-
13 tainable products, including
14 biobased products designated in
15 accordance with this section; and

16 “(bb) do not contain any
17 language prohibiting the use of
18 biobased products.

19 “(II) REPORT.—Results of the
20 reviews conducted under subclause (I)
21 shall be reported annually to the Of-
22 fice of Management and Budget, the
23 Office of Science and Technology Pol-
24 icy, and the appropriate committees of
25 Congress.

1 “(H) REPORTING.—

2 “(i) IN GENERAL.—Not later than 1
3 year after the date of enactment of this
4 subparagraph, the Secretary and the Fed-
5 eral Acquisition Regulatory Council shall
6 jointly propose an amendment to the Fed-
7 eral Acquisition Regulation to require re-
8 porting of biobased product purchases, to
9 be made public on an annual basis.

10 “(ii) REPORTING TEMPLATE.—After
11 the promulgation of the proposed amend-
12 ment described in clause (i), the Secretary,
13 in consultation with the Chief Acquisition
14 Officers Council, shall develop and make
15 available a reporting template to facilitate
16 the annual reporting requirement.”; and

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

19 “(5) COMPLIANCE.—The Secretary may take
20 such action as the Secretary determines to be nec-
21 essary—

22 “(A) to determine the compliance rate
23 among Federal agencies in buying designated
24 biobased products; and

1 “(B) to determine whether vendor and con-
2 tractor claims about biobased products meeting
3 item designation definitions and minimum re-
4 quired biobased content are accurate.”;

5 (2) in subsection (b)—

6 (A) in paragraph (2)(B)—

7 (i) in clause (ii), by striking “and” at
8 the end;

9 (ii) by redesignating clause (iii) as
10 clause (iv); and

11 (iii) by inserting after clause (ii), the
12 following new clause:

13 “(iii) encourage the purchase of prod-
14 ucts that apply an innovative approach to
15 growing, harvesting, procuring, processing,
16 or manufacturing biobased products re-
17 gardless of the date of entry of the prod-
18 ucts into the marketplace.”;

19 (B) in paragraph (3)—

20 (i) by striking “(3) USE OF LABEL.—
21 The Secretary” and inserting the following:

22 “(3) USE OF LABEL.—

23 “(A) IN GENERAL.—The Secretary”; and

24 (ii) by adding at the end the following
25 new subparagraph:

1 “(B) AUDITING AND COMPLIANCE.—The
2 Secretary may carry out such auditing and
3 compliance activities as the Secretary deter-
4 mines to be necessary to ensure compliance
5 with subparagraph (A), including the imposition
6 of a civil penalty of not more than \$10,000 on
7 a person who misuses the label and, after re-
8 ceiving a notice of violation, fails to take action
9 to correct the misuse described in the notice.”;
10 and

11 (C) by adding at the end the following new
12 paragraphs:

13 “(4) FORESTRY PRODUCTS LABORATORY CO-
14 ORDINATION.—In determining which products may
15 qualify to use a label under paragraph (1), the Sec-
16 retary, in consultation with the Forest Products
17 Laboratory, shall—

18 “(A) review and approve applications for
19 designation as biobased products submitted by
20 vendors or manufacturers of forest-related
21 products;

22 “(B) expedite the approval of applications
23 for designation as biobased products submitted
24 by producers of innovative forest-related prod-
25 ucts resulting from technology developed by the

1 Forest Products Laboratory or partners of the
2 Laboratory; and

3 “(C) provide appropriate technical assist-
4 ance to applicants, as determined by the Sec-
5 retary.

6 “(5) COMPLEX AND FINISHED PRODUCTS.—Not
7 later than 1 year after the date of enactment of this
8 paragraph, the Secretary shall develop a rec-
9 ommendation for labeling complex and finished
10 products.”;

11 (3) by redesignating subsections (d) through (h)
12 as subsections (e) through (i), respectively;

13 (4) by inserting after subsection (c) the fol-
14 lowing new subsection:

15 “(d) OUTREACH, EDUCATION, AND PROMOTION.—

16 “(1) IN GENERAL.—The Secretary shall carry
17 out a program of outreach, education, and pro-
18 motion activities intended to increase knowledge,
19 awareness, and benefits of biobased products.

20 “(2) AUTHORIZED ACTIVITIES.—In carrying
21 out this subsection, the Secretary, at a minimum,
22 shall—

23 “(A) not later than 1 year after the date
24 of enactment of this paragraph, update all ex-

1 isting BioPreferred and related sustainable ac-
2 quisition training materials of the Department;

3 “(B) work cooperatively with the senior
4 sustainability officers and chief acquisition offi-
5 cers of Federal agencies to immediately imple-
6 ment such BioPreferred program agency edu-
7 cation and outreach programs as are necessary
8 to meet the requirements of this section;

9 “(C) work actively with groups that sup-
10 port employment for the blind or disabled, such
11 as the Committee for Purchase From People
12 Who Are Blind or Severely Disabled, to pro-
13 mote education and outreach regarding BioPre-
14 ferred AbilityOne products to—

15 “(i) program, technical, and con-
16 tracting personnel; and

17 “(ii) Federal agency purchase card
18 holders;

19 “(D) conduct consumer education and out-
20 reach (including consumer and awareness sur-
21 veys);

22 “(E) conduct outreach to and support for
23 State and local governments interested in im-
24 plementing biobased purchasing programs;

1 “(F) partner with industry and nonprofit
2 groups to produce educational and outreach
3 materials and conduct educational and outreach
4 events;

5 “(G) sponsor special conferences and
6 events to bring together buyers and sellers of
7 biobased products; and

8 “(H) support pilot and demonstration
9 projects.”;

10 (5) in subsection (h) (as redesignated by para-
11 graph (3)), by adding at the end the following new
12 paragraph:

13 “(3) JOBS CREATION RESEARCH AND RE-
14 PORT.—Not later than 2 years after the date of en-
15 actment of this paragraph, the Secretary shall carry
16 out a study, and submit to the President and the ap-
17 propriate committees of Congress a report, on job
18 creation and the economic impact associated with
19 the biobased product industry, including—

20 “(A) the number of jobs in the United
21 States originating from the biobased product in-
22 dustry annually over the preceding 10 years, in-
23 cluding the job changes in specific sectors;

24 “(B) the dollar value of the domestic
25 biobased products industry at the time of the

1 report, including intermediates, feedstocks, and
2 finished products, but excluding biofuels;

3 “(C) a forecast for biobased job creation
4 potential over the next 10 years;

5 “(D) a forecast for growth in the biobased
6 industry over the next 10 years; and

7 “(E) jobs data for both biofuels and
8 biobased products, with data generated sepa-
9 rately for each category.”; and

10 (6) in subsection (i) (as redesignated by para-
11 graph (3))—

12 (A) in paragraph (1)—

13 (i) in subparagraph (A), by striking
14 “and” at the end;

15 (ii) in subparagraph (B), by striking
16 the period at the end and inserting “;
17 and”; and

18 (iii) by adding at the end the fol-
19 lowing new subparagraph:

20 “(C) \$4,000,000 for each of fiscal years
21 2013 through 2017.”; and

22 (B) in paragraph (2), by inserting “and
23 \$4,000,000 for each of fiscal years 2013
24 through 2017” before the period at the end.

1 **SEC. 5. BIOREFINERY ASSISTANCE.**

2 Section 9003 of the Farm Security and Rural Invest-
3 ment Act of 2002 (7 U.S.C. 8103) is amended—

4 (1) in subsection (b)(2), by inserting “or a re-
5 newable chemical” after “biofuel” each place it ap-
6 pears in subparagraphs (A) and (B);

7 (2) in subsection (c)(1), by inserting “or renew-
8 able chemicals” after “biofuels”;

9 (3) in subsection (d)(2)(C)—

10 (A) in clause (i), by inserting “or renew-
11 able chemical” after “biofuel”; and

12 (B) in clause (iii), by inserting “or renew-
13 able chemicals” after “biofuels”;

14 (4) in subsection (e)(1)(C)—

15 (A) in clause (i), by inserting “or renew-
16 able chemical” after “biofuel”; and

17 (B) in clauses (iii) and (vii), by inserting
18 “or renewable chemicals” after “biofuels” each
19 place it appears; and

20 (5) in subsection (h)—

21 (A) in paragraph (1)—

22 (i) in subparagraph (A), by striking
23 “and” at the end;

24 (ii) in subparagraph (B), by striking
25 the period at the end and inserting “;
26 and”; and

1 (iii) by adding at the end the fol-
2 lowing new subparagraph:

3 “(C) \$75,000,000 for each of fiscal years
4 2013 through 2017.”; and

5 (B) in paragraph (2), by inserting “and
6 \$75,000,000 for each of fiscal years 2013
7 through 2017” before the period at the end.

8 **SEC. 6. BIODIESEL FUEL EDUCATION PROGRAM.**

9 Section 9006 of the Farm Security and Rural Invest-
10 ment Act of 2002 (7 U.S.C. 8106) is amended by striking
11 subsection (d) and inserting the following new subsection:

12 “(d) FUNDING.—

13 “(1) MANDATORY FUNDING.—Of the funds of
14 the Commodity Credit Corporation, the Secretary
15 shall use to carry out this section \$1,000,000 for
16 each of fiscal years 2013 through 2017, to remain
17 available until expended.

18 “(2) DISCRETIONARY FUNDING.—In addition to
19 any other funds made available to carry out this sec-
20 tion, there is authorized to be appropriated to carry
21 out this section \$1,000,000 for each of fiscal years
22 2013 through 2017.”.

23 **SEC. 7. RURAL ENERGY FOR AMERICA PROGRAM.**

24 Section 9007 of the Farm Security and Rural Invest-
25 ment Act of 2002 (7 U.S.C. 8107) is amended—

1 (1) by redesignating subsections (a) through (g)
2 as subsections (b) through (h), respectively;

3 (2) by inserting before subsection (b) (as so re-
4 designated), the following new subsection:

5 “(a) AGRICULTURAL PRODUCER DEFINED.—In this
6 section, the term ‘agricultural producer’ includes rural and
7 non-rural agricultural producers.”;

8 (3) in subsection (d) (as redesignated by para-
9 graph (1))—

10 (A) by striking paragraph (1) and insert-
11 ing the following new paragraph:

12 “(1) LOAN GUARANTEE AND GRANT PRO-
13 GRAM.—

14 “(A) IN GENERAL.—In addition to any
15 similar authority, the Secretary shall provide
16 loan guarantees and grants to agricultural pro-
17 ducers and rural small businesses—

18 “(i) to purchase renewable energy sys-
19 tems, including—

20 “(I) systems that may be used to
21 produce and sell electricity, such as
22 for agricultural, and associated resi-
23 dential, purposes; and

24 “(II) unique components of re-
25 newable energy systems; and

1 “(ii) to make energy efficiency im-
2 provements.

3 “(B) TIERED APPLICATION PROCESS.—

4 “(i) IN GENERAL.—In providing loan
5 guarantees and grants under this sub-
6 section, the Secretary shall use a 3-tiered
7 application process that reflects the sizes
8 of proposed projects in accordance with
9 this subparagraph.

10 “(ii) TIER 1.—The Secretary shall es-
11 tablish a separate application process for
12 projects for which the cost of the activity
13 funded under this subsection is not more
14 than \$80,000.

15 “(iii) TIER 2.—The Secretary shall es-
16 tablish a separate application process for
17 projects for which the cost of the activity
18 funded under this subsection is greater
19 than \$80,000 but less than \$200,000.

20 “(iv) TIER 3.—The Secretary shall es-
21 tablish a separate application process for
22 projects for which the cost of the activity
23 funded under this subsection is equal to or
24 greater than \$200,000.

1 “(v) APPLICATION PROCESS.—The
 2 Secretary shall establish an application,
 3 evaluation, and oversight process that is
 4 most simplified for tier I projects and more
 5 comprehensive for each subsequent tier.”;

6 (B) in paragraph (3)—

7 (i) in subparagraph (A), by inserting
 8 “in an amount not to exceed \$100,000 per
 9 grant” after “in the form of grants”; and

10 (ii) by striking subparagraph (C);

11 (C) in paragraph (4)(C), by striking “75
 12 percent of the cost” and inserting “all eligible
 13 costs”; and

14 (D) by adding at the end the following new
 15 paragraph:

16 “(5) REQUIREMENT.—In carrying out this sec-
 17 tion, the Secretary shall not require a second meter
 18 for on-farm residential portions of rural projects
 19 connected to the grid.”;

20 (4) in subsection (g) (as redesignated by para-
 21 graph (1))—

22 (A) by striking “Not later” and inserting
 23 the following:

24 “(1) IN GENERAL.—Not later”; and

1 (B) by adding at the end the following new
2 paragraph:

3 “(2) SUBSEQUENT REPORT.—Not later than 4
4 years after the date of enactment of this paragraph,
5 the Secretary shall submit to Congress a report on
6 activities carried out under this section, including
7 the outcomes achieved by projects funded under this
8 section.”; and

9 (5) in subsection (h) (as redesignated by para-
10 graph (1))—

11 (A) in paragraph (1)(D), by striking “fis-
12 cal year 2012” and inserting “each of fiscal
13 years 2012 through 2017”; and

14 (B) in paragraph (3), by inserting “and
15 \$70,000,000 for each of fiscal years 2013
16 through 2017” before the period at the end.

17 **SEC. 8. BIOMASS RESEARCH AND DEVELOPMENT.**

18 Section 9008 of the Farm Security and Rural Invest-
19 ment Act of 2002 (7 U.S.C. 8108) is amended—

20 (1) by striking “biofuels and” each place it ap-
21 pears in subsections (b), (c)(3), (d)(2)(A), (e), and
22 (g)(2) and inserting “biofuels, renewable chemicals,
23 and”;

24 (2) in subsection (e)—

25 (A) in paragraph (2)—

1 (i) in subparagraph (A)—

2 (I) by striking “at prices com-
3 petitive with fossil fuels” and insert-
4 ing “and biobased products”; and

5 (II) by inserting “and” after the
6 semicolon at the end;

7 (ii) by striking subparagraph (B);

8 (iii) by redesignating subparagraph
9 (C) as subparagraph (B); and

10 (iv) in subparagraph (B) (as so redes-
11 ignated), by inserting “renewable chemi-
12 cals,” after “bioenergy,”;

13 (B) in paragraph (3)—

14 (i) in subparagraph (B), in the sub-
15 paragraph heading, by inserting “, RENEW-
16 ABLE CHEMICALS,” after “BIOFUELS”; and

17 (ii) by striking subparagraph (C);

18 (C) by striking paragraph (4); and

19 (D) by redesignating paragraphs (5) and
20 (6) as paragraphs (4) and (5), respectively; and
21 (3) in subsection (h)—

22 (A) in paragraph (1)—

23 (i) in subparagraph (C), by striking
24 “and” at the end;

1 (ii) in subparagraph (D), by striking
 2 the period at the end and inserting “;
 3 and”; and

4 (iii) by adding at the end the fol-
 5 lowing new subparagraph:

6 “(E) \$30,000,000 for each of fiscal years
 7 2013 through 2017.”; and

8 (B) in paragraph (2), by inserting “and
 9 \$30,000,000 for each of fiscal years 2013
 10 through 2017” before the period at the end.

11 **SEC. 9. RURAL ENERGY SELF-SUFFICIENCY INITIATIVE.**

12 Section 9009(d) of the Farm Security and Rural In-
 13 vestment Act of 2002 (7 U.S.C. 8109(d)) is amended by
 14 inserting “and \$10,000,000 for each of fiscal years 2013
 15 through 2017” before the period at the end.

16 **SEC. 10. BIOMASS CROP ASSISTANCE PROGRAM.**

17 (a) DEFINITIONS.—Section 9011(a) of the Farm Se-
 18 curity and Rural Investment Act of 2002 (7 U.S.C.
 19 8111(a)) is amended—

20 (1) in paragraph (4)(B)—

21 (A) in clause (i), by striking “or” at the
 22 end;

23 (B) in clause (ii)—

24 (i) by striking “has the potential to
 25 become invasive or noxious” and inserting

1 “species or varieties of plants that credible
 2 risk assessment tools or other credible
 3 sources determine are potentially invasive”;
 4 and

5 (ii) by striking the period at the end
 6 and inserting “; or”; and

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

9 “(iii) algae.”;

10 (2) in paragraph (5)(B), by striking clauses (iv)
 11 and (v) and inserting the following new clauses:

12 “(iv) land enrolled in the environ-
 13 mental easement program established
 14 under chapter 3 of subtitle D of such title
 15 (16 U.S.C. 3839 et seq.); or

16 “(v) land enrolled in the programs de-
 17 scribed in clauses (iii) and (iv) under a
 18 contract that expires at the end of fiscal
 19 year [____].”;

20 (3) in paragraph (6)—

21 (A) by striking subparagraph (A) and in-
 22 serting the following new subparagraph:

23 “(A) IN GENERAL.—The term ‘eligible ma-
 24 terial’ means the following materials:

1 “(i) Renewable biomass material har-
2 vested directly from the land, including
3 crop residue from any crop that is eligible
4 to receive payments under title I of the
5 Food, Conservation, and Energy Act of
6 2008 (7 U.S.C. 8701 et seq.).

7 “(ii) Material that is collected or har-
8 vested by the owner of such material—

9 “(I) directly from the National
10 Forest System, Bureau of Land Man-
11 agement land, non-Federal land, or
12 land owned by an individual Indian or
13 Indian tribe that is held in trust by
14 the United States for the benefit of
15 the individual Indian or Indian tribe
16 or subject to a restriction against
17 alienation imposed by the United
18 States; or

19 “(II) in a manner that is con-
20 sistent with a conservation plan, a for-
21 est stewardship plan, or a plan that
22 the Secretary determines is equivalent
23 to a conservation plan or a forest
24 stewardship plan and consistent with

1 Executive Order 13112 (64 Fed. Reg.
2 6183; relating to invasive species).

3 “(iii) In the case of woody material,
4 material that is produced on land other
5 than contract acreage that—

6 “(I) is a byproduct of a preventa-
7 tive treatment that is removed to re-
8 duce hazardous fuel or to reduce or
9 contain disease or insect infestation;
10 and

11 “(II) if harvested from Federal
12 land, is harvested in accordance with
13 section 102(e) of the Healthy Forests
14 Restoration Act of 2003 (16 U.S.C.
15 6512(e)).

16 “(iv) Material that is delivered to a
17 qualified biomass conversion facility to be
18 used for heat, power, biobased products,
19 research, or advanced biofuels.”; and
20 (B) in subparagraph (B)—

21 (i) in clause (iii), by striking “or” at
22 the end;

23 (ii) in clause (iv), by striking the pe-
24 riod at the end and inserting “; or”; and

1 (iii) by adding at the end the fol-
2 lowing new clause:

3 “(v) bagasse.”; and

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

6 “(9) SOCIALLY DISADVANTAGED FARMER OR
7 RANCHER.—The term ‘socially disadvantaged farmer
8 or rancher’ has the meaning given such term in sec-
9 tion 2501(e) of the Food, Conservation, and Trade
10 Act of 1990 (7 U.S.C. 2279(e)).”.

11 (b) BCAP PROJECT AREA.—Section 9011(c) of the
12 Farm Security and Rural Investment Act of 2002 (7
13 U.S.C. 8111(c)) is amended—

14 (1) in paragraph (2)—

15 (A) in subparagraph (A), by striking
16 clause (iv) and inserting the following new
17 clause:

18 “(iv) any other information about the
19 biomass conversion facility or proposed bio-
20 mass conversion facility that the Secretary
21 determines necessary for the Secretary to
22 be reasonably assured that the plant will
23 be in operation by the date on which the
24 eligible crops are ready for harvest.”; and

1 (B) in subparagraph (B)(ix), by striking
 2 “information” and all that follows through the
 3 period and inserting “information that the Sec-
 4 retary determines to be necessary.”;

5 (2) in paragraph (3)—

6 (A) in subparagraph (B)—

7 (i) in clause (iii)—

8 (I) in subclause (I), by striking
 9 “or” at the end;

10 (II) in subclause (II), by striking
 11 “or an equivalent; and” at the end
 12 and inserting “; or”; and

13 (III) by adding at the end the
 14 following new subclause:

15 “(III) a plan that is equivalent to
 16 a conservation plan or a forest stew-
 17 ardship plan; and”;

18 (ii) in clause (iv), by striking “the
 19 Secretary” and all that follows through the
 20 period and inserting “that the Secretary
 21 determines to be necessary.”; and

22 (B) in subparagraph (C), in the matter
 23 preceding clause (i), by striking “up to” and in-
 24 serting “not more than”; and

25 (3) in paragraph (5)—

1 (A) in subparagraph (B)—

2 (i) by redesignating clauses (i), (ii),
3 and (iii) as subclauses (I), (II), and (III),
4 respectively, and moving the margins of
5 such subclauses two ems to the right;

6 (ii) by striking “(B) AMOUNT OF ES-
7 TABLISHMENT PAYMENTS.—The amount
8 of” and inserting the following:

9 “(B) AMOUNT OF ESTABLISHMENT PAY-
10 MENTS.—

11 “(i) IN GENERAL.—Except as pro-
12 vided in clause (ii), the amount of”;

13 (iii) in clause (i) (as designated by
14 clause (ii)), by striking “up to 75 percent”
15 and inserting “not more than the lesser of
16 \$500 per acre or 75 percent”; and

17 (iv) by adding at the end the following
18 new clause:

19 “(ii) SOCIALLY DISADVANTAGED
20 FARMERS OR RANCHERS.—The limitation
21 on the amount of an establishment pay-
22 ment under clause (i) shall apply in the
23 case of a socially disadvantaged farmer or
24 rancher in the same manner as such limi-
25 tation applies to any farmer or rancher

1 under such clause except that the limita-
 2 tion on the costs of establishment applica-
 3 ble to a socially disadvantaged farmer or
 4 rancher shall be not more than the lesser
 5 of \$750 per acre or 85 percent of such
 6 costs.”; and

7 (B) in subparagraph (C)(ii), by striking
 8 subclause (V) and inserting the following new
 9 subclause:

10 “(V) the Secretary determines a
 11 reduction is necessary to carry out
 12 this section.”.

13 (c) ASSISTANCE WITH COLLECTION, HARVEST,
 14 STORAGE, AND TRANSPORTATION.—Section 9011(d) of
 15 the Farm Security and Rural Investment Act of 2002 (7
 16 U.S.C. 8111(d)) is amended—

17 (1) in paragraph (1)(B), by inserting before the
 18 period at the end “, regardless of whether the eligi-
 19 ble material is produced on contract acreage”; and

20 (2) in paragraph (2)(B)—

21 (A) by striking “rate of \$1” and inserting
 22 “rate of not more than \$1”; and

23 (B) by striking “\$45 per ton” and all that
 24 follows through the period and inserting “\$20
 25 per dry ton for a period of 4 years.”.

1 (d) FUNDING.—Section 9011(f) of the Farm Security
2 and Rural Investment Act of 2002 (7 U.S.C. 8111(f)) is
3 amended to read as follows:

4 “(f) FUNDING.—

5 “(1) MANDATORY FUNDING.—Of the funds of
6 the Commodity Credit Corporation, the Secretary
7 shall use to carry out this section \$75,000,000 for
8 each of fiscal years 2013 through 2017, of which not
9 more than \$15,000,000 for each fiscal year may be
10 used for providing assistance with collection, harvest,
11 storage, and transportation under subsection (d).

12 “(2) DISCRETIONARY FUNDING.—In addition to
13 any other funds made available to carry out this sec-
14 tion, there are authorized to be appropriated to
15 carry out this section \$75,000,000 for each of fiscal
16 years 2013 through 2017.”.

17 (e) CONFORMING AMENDMENTS; TECHNICAL COR-
18 RECTIONS.—

19 (1) DEFINITION OF ELIGIBLE LAND.—Section
20 9011(a)(5)(B)(ii) of the Farm Security and Rural
21 Investment Act of 2002 (7 U.S.C. 8111(a)(5)(B)(ii))
22 is amended by inserting “(7 U.S.C. 8701 et seq.)”
23 after “2008”.

24 (2) ESTABLISHMENT AND PURPOSE.—Section
25 9011(b)(2) of the Farm Security and Rural Invest-

1 ment Act of 2002 (7 U.S.C. 8111(b)(2)) is amended
2 by inserting “the” before “collection”.

3 (3) SOCIALLY DISADVANTAGED FARMERS AND
4 RANCHERS.—Section 9011(c)(2)(B)(v)(II) of the
5 Farm Security and Rural Investment Act of 2002 (7
6 U.S.C. 8111(c)(2)(B)(v)(II)) is amended by striking
7 “ranchers” and all that follows through the semi-
8 colon and inserting “ranchers;”.

9 (4) LIMITATION ON ASSISTANCE FOR BCAP
10 CONTRACT ACREAGE.—Section 9011(d)(3) of the
11 Farm Security and Rural Investment Act of 2002 (7
12 U.S.C. 8111(d)(3)) is amended by inserting “an”
13 before “annual”.

14 **SEC. 11. FOREST BIOMASS FOR ENERGY.**

15 Section 9012(d) of the Farm Security and Rural In-
16 vestment Act of 2002 (7 U.S.C. 8112(d)) is amended by
17 striking “2012” and inserting “2017”.

18 **SEC. 12. COMMUNITY WOOD ENERGY PROGRAM.**

19 Section 9013(e) of the Farm Security and Rural In-
20 vestment Act of 2002 (7 U.S.C. 8113(e)) is amended by
21 striking “2012” and inserting “2017”.

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