

113TH CONGRESS  
1ST SESSION

# H. R. 1414

To promote local and regional farm and food systems, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 9, 2013

Ms. PINGREE of Maine (for herself, Mr. BLUMENAUER, Mr. CICILLINE, Mr. COURTNEY, Ms. MATSUI, Mr. MCGOVERN, Mr. MORAN, Mr. HOLT, Ms. SCHAKOWSKY, Mr. THOMPSON of California, Mr. WALZ, Mr. WELCH, Ms. KAPTUR, Mr. LEWIS, Ms. SPEIER, Ms. MOORE, Ms. FUDGE, Mr. MCINTYRE, Mrs. NEGRETE MCLEOD, Mr. DEFazio, Mr. LANGEVIN, Ms. KUSTER, Mr. MICHAUD, Ms. LEE of California, Mr. HUFFMAN, Mr. ENYART, and Ms. TSONGAS) introduced the following bill; which was referred to the Committee on Agriculture, and in addition to the Committee on Education and the Workforce, 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

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## A BILL

To promote local and regional farm and food systems, and  
for other purposes.

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

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

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Local Farms, Food, and Jobs Act of 2013”.

1           (b) TABLE OF CONTENTS.—The table of contents of  
2 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—NUTRITION

Sec. 101. Retailers.

Sec. 102. Demonstration projects on acceptance of benefits of mobile transactions.

Sec. 103. Use of benefits for purchase of community-supported agriculture share.

Sec. 104. Additional authority for purchase of fresh fruits, vegetables, and other specialty food crops.

Sec. 105. Encouraging locally and regionally grown and raised food.

Sec. 106. Assistance for community food projects.

Sec. 107. Senior farmers' market nutrition program.

Sec. 108. Hunger-free communities.

Sec. 109. Food and Nutrition Agriculture Service Learning Program.

TITLE II—CREDIT

Sec. 201. Loans to local and regional food producers.

Sec. 202. Clarification of the mission of the farm credit system to recognize the economic benefits of supporting young, beginning, and small farmers and ranchers, and contributions of local and regional farm and food systems.

Sec. 203. Young, beginning, and small farmers and ranchers and locally or regionally produced agricultural products.

TITLE III—RURAL DEVELOPMENT

Sec. 301. Availability of rural business opportunity grants for local and regional food systems.

Sec. 302. Clarification on allowed partnerships for certain community facilities grants and loans.

Sec. 303. Availability of rural business enterprise grants for value-added processing, aggregation, distribution, storage, and marketing in connection with production agriculture.

Sec. 304. Making improvements to business and industry direct and guaranteed loans to benefit producers of local or regionally produced agricultural food products.

Sec. 305. Value-added agricultural product market development grants.

TITLE IV—RESEARCH, EDUCATION, AND RELATED MATTERS

Sec. 401. Agriculture and food research initiative.

Sec. 402. Local and regional food system enterprise facilitation.

Sec. 403. Conventional breeding initiative.

Sec. 404. National genetics resources program.

TITLE V—HORTICULTURE

Sec. 501. Farmers market and local food promotion program.

Sec. 502. Specialty crop block grants.

Sec. 503. Study on local food production and program evaluation.

## TITLE VI—CROP INSURANCE

- Sec. 601. Research and development authority.
- Sec. 602. Whole farm risk management insurance.
- Sec. 603. Approval of costs for research and development.
- Sec. 604. Crop insurance for organic crops.
- Sec. 605. Nationwide expansion of agricultural management assistance program and inclusion of organic certification cost share assistance.

## TITLE VII—MISCELLANEOUS

- Sec. 701. Technical assistance.
- Sec. 702. Guidance.
- Sec. 703. Labels and public information on label content.
- Sec. 704. Meat and poultry processing report.

1                   **TITLE I—NUTRITION**2   **SEC. 101. RETAILERS.**

3           (a) DEFINITION OF RETAIL FOOD STORE.—Section  
 4 3(p) of the Food and Nutrition Act of 2008 (7 U.S.C.  
 5 2012(p)) is amended—

6                   (1) in paragraph (1)(A) by striking “at least 2”  
 7                   and inserting “at least 3”; and

8                   (2) in paragraph (4) by inserting “or agricul-  
 9                   tural producers who market agricultural products di-  
 10                  rectly to consumers” after “venture”.

11          (b) ALTERNATIVE BENEFIT DELIVERY.—Section  
 12 7(f) of the Food and Nutrition Act of 2008 (7 U.S.C.  
 13 2016(f)) is amended—

14                   (1) by striking paragraph (2) and inserting the  
 15                   following:

16                   “(2) IMPOSITION OF COSTS.—

17                           “(A) IN GENERAL.—Except as provided in  
 18                           subparagraph (B), the Secretary shall require  
 19                           participating retailers (including restaurants

1 participating in a State option restaurant pro-  
2 gram intended to serve the elderly, disabled,  
3 and homeless) to pay 100 percent of the costs  
4 of acquiring, and arrange for the implementa-  
5 tion of, electronic benefit transfer point-of-sale  
6 equipment and supplies.

7 “(B) EXEMPTIONS.—The Secretary may  
8 exempt from subparagraph (A)—

9 “(i) farmers’ markets and other direct  
10 farmer-to-consumer marketing outlets,  
11 military commissaries, nonprofit food buy-  
12 ing cooperatives, and establishments, orga-  
13 nizations, programs, or group living ar-  
14 rangements described in paragraphs (5),  
15 (7), and (8) of section 3(k); and

16 “(ii) establishments described in para-  
17 graphs (3), (4), and (9) of section 3(k),  
18 other than restaurants participating in a  
19 State option restaurant program.”; and

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

21 “(4) TERMINATION OF MANUAL VOUCHERS.—

22 “(A) IN GENERAL.—Effective beginning on  
23 the effective date of this paragraph, except as  
24 provided in subparagraph (B), no State shall  
25 issue manual vouchers to a household that re-

1 ceives supplemental nutrition assistance under  
2 this Act or allow retailers to accept manual  
3 vouchers as payment, unless the Secretary de-  
4 termines that the manual vouchers are nec-  
5 essary, such as in the event of an electronic  
6 benefit transfer system failure or a disaster sit-  
7 uation.

8 “(B) EXEMPTIONS.—The Secretary may  
9 exempt categories of retailers or individual re-  
10 tailers from subparagraph (A) based on criteria  
11 established by the Secretary.

12 “(5) UNIQUE IDENTIFICATION NUMBER RE-  
13 QUIRED.—In an effort to enhance the antifraud pro-  
14 tections of the program, the Secretary shall require  
15 all parties providing electronic benefit transfer serv-  
16 ices to provide for and maintain a unique terminal  
17 identification number information through the sup-  
18 plemental nutrition assistance program electronic  
19 benefit transfer transaction routing system. In devel-  
20 oping the regulations implementing this paragraph,  
21 the Secretary shall consider existing commercial  
22 practices for other point-of-sale debit transactions.  
23 The Secretary shall issue proposed regulations im-  
24 plementing this paragraph not earlier than 2 years  
25 after the date of enactment of this paragraph.”.

1       (c) ELECTRONIC BENEFIT TRANSFERS.—Section  
 2 7(h)(3)(B) of the Food and Nutrition Act of 2008 (7  
 3 U.S.C. 2016(h)(3)(B)) is amended by striking “is oper-  
 4 ational—” and all that follows through “(ii) in the case  
 5 of other participating stores,” and inserting “is oper-  
 6 ational”.

7       (d) APPROVAL OF RETAIL FOOD STORES AND  
 8 WHOLESALE FOOD CONCERNS.—Section 9 of the Food  
 9 and Nutrition Act of 2008 (7 U.S.C. 2018) is amended—

10           (1) in the second sentence of subsection (a)(1)  
 11       by striking “; and (C)” and inserting “; (C) whether  
 12       the applicant is located in an area with significantly  
 13       limited access to food; and (D)”;

14           (2) in subsection (b) by adding at the end the  
 15       following:

16           “(3) RETAIL FOOD STORES WITH SIGNIFICANT  
 17       SALES OF EXCLUDED ITEMS.—

18           “(A) IN GENERAL.—No retail food store  
 19       for which at least 45 percent of the total sales  
 20       of the retail food store is from the sale of ex-  
 21       cluded items described in section 3(k)(1) may  
 22       be authorized to accept and redeem benefits un-  
 23       less the Secretary determines that the partici-  
 24       pation of the retail food store is required for

1 the effective and efficient operation of the sup-  
 2 plemental nutrition assistance program.

3 “(B) APPLICATION.—Subparagraph (A)  
 4 shall be effective—

5 “(i) in the case of retail food stores  
 6 applying to be authorized for the first  
 7 time, beginning on the date that is 1 year  
 8 after the effective date of this paragraph;  
 9 and

10 “(ii) in the case of retail food stores  
 11 participating in the program on the effec-  
 12 tive date of this paragraph, during periodic  
 13 reauthorization in accordance with sub-  
 14 section (a)(2)(A).”; and

15 (3) by adding at the end the following:

16 “(g) EBT SERVICE REQUIREMENT.—An approved  
 17 retail food store shall provide adequate EBT service as  
 18 described in section 7(h)(3)(B).”.

19 **SEC. 102. DEMONSTRATION PROJECTS ON ACCEPTANCE OF**  
 20 **BENEFITS OF MOBILE TRANSACTIONS.**

21 Section 7(h) of the Food and Nutrition Act of 2008  
 22 (7 U.S.C. 2016(h)) is amended by adding at the end the  
 23 following:

24 “(14) DEMONSTRATION PROJECTS ON ACCEPT-  
 25 ANCE OF BENEFITS OF MOBILE TRANSACTIONS.—

1           “(A) IN GENERAL.—The Secretary shall  
2 pilot the use of mobile technologies determined  
3 by the Secretary to be appropriate to test the  
4 feasibility and implications for program integ-  
5 rity, by allowing retail food stores, farmers  
6 markets, and other direct producer-to-consumer  
7 marketing outlets to accept benefits from recipi-  
8 ents of supplemental nutrition assistance  
9 through mobile transactions.

10           “(B) DEMONSTRATION PROJECTS.—To be  
11 eligible to participate in a demonstration project  
12 under subsection (a), a retail food store, farm-  
13 ers market, or other direct producer-to-con-  
14 sumer marketing outlet shall submit to the Sec-  
15 retary for approval a plan that includes—

16           “(i) a description of the technology;

17           “(ii) the manner by which the retail  
18 food store, farmers market or other direct  
19 producer-to-consumer marketing outlet will  
20 provide proof of the transaction to house-  
21 holds;

22           “(iii) the provision of data to the Sec-  
23 retary, consistent with requirements estab-  
24 lished by the Secretary, in a manner that  
25 allows the Secretary to evaluate the impact

1 of the demonstration on participant access,  
2 ease of use, and program integrity; and

3 “(iv) such other criteria as the Sec-  
4 retary may require.

5 “(C) DATE OF COMPLETION.—The dem-  
6 onstration projects under this paragraph shall  
7 be completed and final reports submitted to the  
8 Secretary by not later than July 1, 2016.

9 “(D) REPORT TO CONGRESS.—The Sec-  
10 retary shall submit a report to the Committee  
11 on Agriculture of the House of Representatives  
12 and the Committee on Agriculture, Nutrition,  
13 and Forestry of the Senate that includes a find-  
14 ing, based on the data provided under subpara-  
15 graph (C) whether or not implementation in all  
16 States is in the best interest of the supple-  
17 mental nutrition assistance program.”.

18 **SEC. 103. USE OF BENEFITS FOR PURCHASE OF COMMU-**  
19 **NITY-SUPPORTED AGRICULTURE SHARE.**

20 Section 10 of the Food and Nutrition Act of 2008  
21 (7 U.S.C. 2019) is amended in the first sentence by insert-  
22 ing “agricultural producers who market agricultural prod-  
23 ucts directly to consumers shall be authorized to redeem  
24 benefits for the initial cost of the purchase of a commu-  
25 nity-supported agriculture share for an appropriate time

1 in advance of food delivery as determined by the Sec-  
 2 retary,” after “food so purchased,”.

3 **SEC. 104. ADDITIONAL AUTHORITY FOR PURCHASE OF**  
 4 **FRESH FRUITS, VEGETABLES, AND OTHER**  
 5 **SPECIALTY FOOD CROPS.**

6 Section 10603 of the Farm Security and Rural In-  
 7 vestment Act of 2002 (7 U.S.C. 612c–4) is amended—

8 (1) in subsection (b), by striking “2012” and  
 9 inserting “2018”;

10 (2) by redesignating subsection (c) as sub-  
 11 section (e); and

12 (3) by inserting after subsection (b) the fol-  
 13 lowing new subsections:

14 “(c) LOCAL PREFERENCE IN MEMORANDUM OF  
 15 AGREEMENT.—To the maximum extent practicable, a  
 16 memorandum of agreement between the Secretary of Agri-  
 17 culture and the Secretary of Defense related to the pur-  
 18 chase of fresh fruits and vegetables under this section  
 19 shall require that fruits and vegetables purchased under  
 20 the agreement be locally grown (as determined by the Sec-  
 21 retary).

22 “(d) PILOT GRANT PROGRAM FOR PURCHASE OF  
 23 FRESH FRUITS AND VEGETABLES.—

24 “(1) IN GENERAL.—Using amounts made avail-  
 25 able to carry out subsection (b), the Secretary of Ag-

1       riculture shall conduct a pilot program under which  
2       the Secretary will give not more than five partici-  
3       pating States the option of receiving a grant in an  
4       amount equal to the value of the commodities that  
5       the participating State would otherwise receive  
6       under this section for each of fiscal years 2014  
7       through 2018.

8               “(2) USE OF GRANT FUNDS.—A participating  
9       State receiving a grant under this subsection may  
10      use the grant funds solely to purchase fresh fruits  
11      and vegetables for distribution to schools and service  
12      institutions in the State that participate in the food  
13      service programs under the Richard B. Russell Na-  
14      tional School Lunch Act (42 U.S.C. 1751 et seq.)  
15      and the Child Nutrition Act of 1966 (42 U.S.C.  
16      1771 et seq.). To the maximum extent practicable,  
17      the fruits and vegetables shall be locally grown, as  
18      determined by the State.

19              “(3) SELECTION OF PARTICIPATING STATES.—  
20      The Secretary shall select participating States from  
21      applications submitted by the States.

22              “(4) REPORTING REQUIREMENTS.—

23                      “(A) SCHOOL AND SERVICE INSTITUTION  
24              REQUIREMENT.—Schools and service institu-  
25              tions in a participating State shall keep records

1 of purchases of fresh fruits and vegetables  
 2 made using the grant funds and report such  
 3 records to the State.

4 “(B) STATE REQUIREMENT.—Each par-  
 5 ticipating State shall submit to the Secretary a  
 6 report on the success of the pilot program in  
 7 the State, including information on—

8 “(i) the amount and value of each  
 9 type of fresh fruit and vegetable purchased  
 10 by the State; and

11 “(ii) the benefit provided by such pur-  
 12 chases in conducting the school food serv-  
 13 ice in the State, including meeting school  
 14 meal requirements.”.

15 **SEC. 105. ENCOURAGING LOCALLY AND REGIONALLY**  
 16 **GROWN AND RAISED FOOD.**

17 (a) COMMODITY PURCHASE STREAMLINING.—The  
 18 Secretary of Agriculture (in this section referred to as the  
 19 “Secretary”) may permit each school food authority with  
 20 a low annual commodity entitlement value, as determined  
 21 by the Secretary, to elect to substitute locally and region-  
 22 ally grown and raised food for the authority’s allotment,  
 23 in whole or in part, of commodity assistance under section  
 24 6(b) of the Richard B. Russell National School Lunch Act

1 (42 U.S.C. 1755(b)) for the school lunch program under  
2 such Act, if—

3 (1) the election is requested by the school food  
4 authority;

5 (2) the Secretary determines that the election  
6 will reduce State and Federal administrative costs,  
7 such as costs related to transportation, technology,  
8 and overhead; and

9 (3) the election will provide the school food au-  
10 thority with greater flexibility to purchase locally  
11 and regionally grown and raised foods.

12 (b) FARM-TO-SCHOOL DEMONSTRATION  
13 PROJECTS.—

14 (1) IN GENERAL.—The Secretary of Agriculture  
15 may establish and carry out farm-to-school dem-  
16 onstration programs under which school food au-  
17 thorities, agricultural producers producing for local  
18 and regional markets, and other farm to school  
19 stakeholders will collaborate with the Agriculture  
20 Marketing Service to source food for the school  
21 lunch program under the Richard B. Russell Na-  
22 tional School Lunch Act (42 U.S.C. 1751 et seq.)  
23 from local farmers and ranchers in lieu of the com-  
24 modity assistance provided under section 6(b) of the  
25 Richard B. Russell National School Lunch Act (42

1 U.S.C. 1755(b)) to such school food authorities for  
2 the school lunch program.

3 (2) REQUIREMENTS.—

4 (A) IN GENERAL.—A demonstration pro-  
5 gram carried out under this subsection shall—

6 (i) facilitate and increase the purchase  
7 of unprocessed and minimally processed lo-  
8 cally and regionally grown and raised agri-  
9 cultural products to be served under the  
10 school lunch program;

11 (ii) test methods to improve procure-  
12 ment, transportation, and meal preparation  
13 processes;

14 (iii) assess whether administrative  
15 costs can be saved through increased  
16 school authority flexibility to source locally  
17 and regionally produced foods; and

18 (iv) undertake rigorous evaluation and  
19 share information about results, including  
20 cost savings, with the Department of Agri-  
21 culture, other school food authorities, agri-  
22 cultural producers producing for the local  
23 and regional market, and the general pub-  
24 lic.

1           (B) PLANS.—The Secretary shall require  
2           demonstration program participants to provide  
3           to the Secretary detailed plans with respect to  
4           how the participants will meet the requirements  
5           of this subsection.

6           (3) LENGTH.—The Secretary shall conduct  
7           each demonstration program under this subsection  
8           for not less than 3 school years and not more than  
9           5 years, except in the case of a demonstration pro-  
10          gram that requires additional time to meet the re-  
11          quirements under paragraph (2)(A), as determined  
12          by the Secretary.

13          (4) COORDINATION.—The Secretary shall co-  
14          ordinate among relevant agencies of the Department  
15          of Agriculture and non-governmental organizations  
16          with appropriate expertise to facilitate the provision  
17          of training and technical assistance necessary to the  
18          successful implementation of demonstration pro-  
19          grams under this subsection.

20          (5) NUMBER.—The Secretary shall carry out at  
21          least 10 demonstration programs under this sub-  
22          section.

23          (6) DIVERSITY AND BALANCE.—In carrying out  
24          demonstration programs under this subsection, the

1 Secretary shall, to the maximum extent practicable,  
2 ensure—

3 (A) geographical diversity;

4 (B) that at least half of the demonstration  
5 programs are completed in collaboration with  
6 school food authorities with small annual com-  
7 modity entitlements, as determined by the Sec-  
8 retary;

9 (C) that at least half of the demonstration  
10 programs are completed in rural or tribal com-  
11 munities; and

12 (D) equitable treatment of school food au-  
13 thorities with a high percentage of students eli-  
14 gible for free or reduced price lunches under the  
15 Richard B. Russell National School Lunch Act  
16 (42 U.S.C. 1751 et seq.).

17 (7) DATA ANALYSIS.—With respect to each  
18 demonstration program carried out under this sub-  
19 section, the Secretary shall ensure that participants  
20 of the demonstration program collect data on how  
21 the program met the requirements of paragraph  
22 (2)(A) in a manner that will enable the aggregation  
23 and analysis of such data.

24 (8) REPORT TO CONGRESS.—Not later than  
25 January 1, 2018, the Secretary shall provide to the

1 Committee on Agriculture of the House of Rep-  
2 resentatives and the Committee on Agriculture, Nu-  
3 trition, and Forestry of the Senate, and a report on  
4 the demonstration programs carried out under this  
5 subsection, including—

6 (A) an analysis of the data collected under  
7 paragraph (7);

8 (B) a summary of the efforts of the De-  
9 partment of Agriculture to increase the avail-  
10 ability and use of locally and regionally grown  
11 foods by school food authorities through the  
12 commodity assistance provided to such authori-  
13 ties under section under section 6(b) of the  
14 Richard B. Russell National School Lunch Act  
15 (42 U.S.C. 1755(b)); and

16 (C) a determination of whether a dem-  
17 onstration program carried out under this sec-  
18 tion or any aspect of such a program should be-  
19 come an option for school food authorities  
20 based on outcomes, such as children's nutri-  
21 tional health status, economic benefits to par-  
22 ticipating agricultural producers and the local  
23 economy, school meal participation rates, and  
24 an all-inclusive comparison of administrative  
25 cost of the commodity assistance described in

1           subparagraph (B) and such demonstration pro-  
2           gram.

3 **SEC. 106. ASSISTANCE FOR COMMUNITY FOOD PROJECTS.**

4           Section 25 of the Food and Nutrition Act of 2008  
5 (7 U.S.C. 2034) is amended—

6           (1) in subsection (b)(2)(B)—

7                   (A) by striking “\$5,000,000” and inserting  
8                   “\$10,000,000”; and

9                   (B) by striking “2008” and inserting  
10                  “2014”; and

11           (2) in subsection (f)(2), by striking “3” and in-  
12           serting “5”.

13 **SEC. 107. SENIOR FARMERS’ MARKET NUTRITION PRO-**  
14 **GRAM.**

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

17           (1) in subsection (a)—

18                   (A) by striking “\$20,600,000” and insert-  
19                   ing “\$25,000,000”;

20                   (B) by striking “2008” and inserting  
21                   “2014”; and

22                   (C) by striking “2012” and inserting  
23                   “2018”; and

24           (2) in subsection (b)(1), by inserting “maple  
25           syrup,” after “honey,”.

1 **SEC. 108. HUNGER-FREE COMMUNITIES.**

2 Section 4405 of the Food, Conservation, and Energy  
3 Act of 2008 (7 U.S.C. 7517) is amended—

4 (1) in subsection (a)—

5 (A) by striking paragraph (1) and insert-  
6 ing the following:

7 “(1) ELIGIBLE ENTITY.—

8 “(A) COLLABORATIVE GRANTS.—In sub-  
9 section (b), the term ‘eligible entity’ means a  
10 public food program service provider or non-  
11 profit organization, including an emergency  
12 feeding organization, that has collaborated or  
13 will collaborate with 1 or more local partner or-  
14 ganizations to achieve at least 1 hunger-free  
15 communities goal.

16 “(B) INCENTIVE GRANTS.—In subsection  
17 (c), the term ‘eligible entity’ means a nonprofit  
18 organization (including an emergency feeding  
19 organization), an agricultural cooperative, pro-  
20 ducer network or association, community health  
21 organization, public benefit corporation, eco-  
22 nomic development corporation, farmers’ mar-  
23 ket, community-supported agriculture program,  
24 buying club, supplemental nutrition assistance  
25 program retail food store, a State, local, or trib-

1 al agency, and any other entity the Secretary  
2 designates.”; and

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

4 “(4) SUPPLEMENTAL NUTRITION ASSISTANCE  
5 PROGRAM.—The term ‘supplemental nutrition assist-  
6 ance program’ means the supplemental nutrition as-  
7 sistance program established under the Food and  
8 Nutrition Act of 2008 (7 U.S.C. 2011 et seq.).

9 “(5) UNDERSERVED COMMUNITY.—The term  
10 ‘underserved community’ has the meaning given the  
11 term in section 25 of the Food and Nutrition Act of  
12 2008 (7 U.S.C. 2034).”;

13 (2) in subsection (b)(1)(A), by striking “not  
14 more than 50 percent of any funds made available  
15 under subsection (e)” and inserting “funds made  
16 available under subsection (d)(1)”;

17 (3) by striking subsections (c), (d), and (e) and  
18 inserting the following:

19 “(c) HUNGER-FREE COMMUNITIES INCENTIVE  
20 GRANTS.—

21 “(1) AUTHORIZATION.—

22 “(A) IN GENERAL.—In each of the years  
23 specified in subsection (d), the Secretary shall  
24 make grants to eligible entities in accordance  
25 with paragraph (2).

1           “(B) FEDERAL SHARE.—The Federal  
2 share of the cost of carrying out an activity  
3 under this subsection shall not exceed 50 per-  
4 cent of the total cost of the activity.

5           “(C) NON-FEDERAL SHARE.—

6           “(i) IN GENERAL.—The non-Federal  
7 share of the cost of an activity under this  
8 subsection may be provided—

9           “(I) in cash or in-kind contribu-  
10 tions as determined by the Secretary,  
11 including facilities, equipment, or  
12 services; and

13           “(II) by a State or local govern-  
14 ment or a private source.

15           “(ii) LIMITATION.—In the case of a  
16 for-profit entity, the non-Federal share de-  
17 scribed in clause (i) shall not include serv-  
18 ices of an employee, including salaries paid  
19 or expenses covered by the employer.

20           “(2) CRITERIA.—

21           “(A) IN GENERAL.—For purposes of this  
22 subsection, an eligible entity is a governmental  
23 agency or nonprofit organization that—

24           “(i) meets the application criteria set  
25 forth by the Secretary; and

1 “(ii) proposes a project that, at a  
2 minimum—

3 “(I) has the support of the State  
4 agency;

5 “(II) would increase the purchase  
6 of fruits and vegetables by low-income  
7 consumers participating in the supple-  
8 mental nutrition assistance program  
9 by providing incentives at the point of  
10 purchase;

11 “(III) agrees to participate in the  
12 evaluation described in paragraph (4);

13 “(IV) ensures that the same  
14 terms and conditions apply to pur-  
15 chases made by individuals with bene-  
16 fits issued under this Act and incen-  
17 tives provided for in this subsection as  
18 apply to purchases made by individ-  
19 uals who are not members of house-  
20 holds receiving benefits, such as pro-  
21 vided for in section 278.2(b) of title 7,  
22 Code of Federal Regulations (or a  
23 successor regulation); and

24 “(V) includes effective and effi-  
25 cient technologies for benefit redemp-

1                   tion systems that may be replicated in  
2                   other for States and communities.

3                   “(B) PRIORITY.—In awarding grants  
4                   under this section, the Secretary shall give pri-  
5                   ority to projects that—

6                   “(i) maximize the share of funds used  
7                   for direct incentives to participants;

8                   “(ii) use direct-to-consumer sales mar-  
9                   keting;

10                  “(iii) demonstrate a track record of  
11                  designing and implementing successful nu-  
12                  trition incentive programs that connect  
13                  low-income consumers and agricultural  
14                  producers;

15                  “(iv) provide locally or regionally pro-  
16                  duced fruits and vegetables;

17                  “(v) are located in underserved com-  
18                  munities; or

19                  “(vi) address other criteria as estab-  
20                  lished by the Secretary.

21                  “(3) APPLICABILITY.—

22                  “(A) IN GENERAL.—The value of any ben-  
23                  efit provided to a participant in any activity  
24                  funded under this subsection shall not be con-

1           sidered income or resources for any purpose  
2           under any Federal, State, or local law.

3           “(B) PROHIBITION ON COLLECTION OF  
4           SALES TAXES.—Each State shall ensure that no  
5           State or local tax is collected on a purchase of  
6           food under this subsection.

7           “(C) NO LIMITATION ON BENEFITS.—A  
8           grant made available under this subsection shall  
9           not be used to carry out any project that limits  
10          the use of benefits under the Food and Nutri-  
11          tion Act of 2008 (7 U.S.C. 2011 et seq.) or any  
12          other Federal nutrition law.

13          “(D) HOUSEHOLD ALLOTMENT.—Assist-  
14          ance provided under this subsection to house-  
15          holds receiving benefits under the supplemental  
16          nutrition assistance program shall not—

17                 “(i) be considered part of the supple-  
18                 mental nutrition assistance program bene-  
19                 fits of the household; or

20                 “(ii) be used in the collection or dis-  
21                 position of claims under section 13 of the  
22                 Food and Nutrition Act of 2008 (7 U.S.C.  
23                 2022).

24          “(4) EVALUATION.—

1           “(A) INDEPENDENT EVALUATION.—The  
2           Secretary shall provide for an independent eval-  
3           uation of projects selected under this subsection  
4           that measures the impact of each project on—

5                   “(i) improving the nutrition and  
6                   health status of participating households  
7                   receiving incentives under this subsection;  
8                   and

9                   “(ii) increasing fruit and vegetable  
10                  purchases in participating households.

11           “(B) REQUIREMENT.—The independent  
12           evaluation under subparagraph (A) shall use  
13           rigorous methodologies capable of producing  
14           scientifically valid information regarding the ef-  
15           fectiveness of a project.

16           “(C) COSTS.—The Secretary may use  
17           funds not to exceed 10 percent of the funding  
18           provided to carry out this section to pay costs  
19           associated with administering, monitoring, and  
20           evaluating each project.

21           “(d) FUNDING.—

22                   “(1) AUTHORIZATION OF APPROPRIATIONS.—  
23           There is authorized to be appropriated to carry out  
24           subsection (b) \$5,000,000 for each of fiscal years  
25           2014 through 2018.

1           “(2) MANDATORY FUNDING.—Of the funds of  
2           the Commodity Credit Corporation, the Secretary  
3           shall use to carry out subsection (c)—

4                       “(A) \$15,000,000 for fiscal year 2014;

5                       “(B) \$20,000,000 for each of fiscal years  
6           2015 through 2017; and

7                       “(C) \$25,000,000 for fiscal year 2018.”.

8   **SEC. 109. FOOD AND NUTRITION AGRICULTURE SERVICE**  
9                       **LEARNING PROGRAM.**

10          (a) IN GENERAL.—Subtitle D of the Department of  
11   Agriculture Reorganization Act of 1994 (7 U.S.C. 6951)  
12   is amended by adding at the end the following:

13   **“SEC. 242. FOOD AND AGRICULTURE SERVICE LEARNING**  
14                       **PROGRAM.**

15          “(a) ESTABLISHMENT.—The Secretary shall estab-  
16   lish a Food and Agriculture Service Learning Program (in  
17   this section referred to as the ‘Program’) to increase  
18   knowledge of agriculture and improve the nutritional  
19   health of children.

20          “(b) PURPOSES.—The purposes of the Program  
21   are—

22                       “(1) to increase capacity for food, garden, and  
23   nutrition education within host organizations or enti-  
24   ties, school cafeterias, and in the classroom;

1           “(2) to complement and build upon the efforts  
2           of the farm to school programs implemented under  
3           section 18(g) of the Richard B. Russell National  
4           School Lunch Act (42 U.S.C. 1769(g));

5           “(3) to support the implementation of the regu-  
6           lations to update meal patterns and nutrition stand-  
7           ards promulgated under section 4(b)(3) of the Rich-  
8           ard B. Russell National School Lunch Act (42  
9           U.S.C. 1753(b)(3));

10          “(4) to carry out activities that advance the nu-  
11          tritional health of children and nutrition education  
12          in elementary schools and secondary schools;

13          “(5) to build on activities carried out by the  
14          Food and Nutrition Service and the Corporation for  
15          National and Community Service by providing funds  
16          to establish new approved national service positions  
17          for a national service program; and

18          “(6) to further expand the impact of the efforts  
19          described in paragraphs (1) through (5) through co-  
20          ordination with the National Institute of Food and  
21          Agriculture.

22          “(c) ELIGIBILITY.—To carry out the Program, the  
23          Secretary may make awards to an organization or other  
24          entity that, as determined by the Secretary—

1           “(1) has a proven track record in carrying out  
2           the activities described in subsection (b);

3           “(2) is carrying out or otherwise supporting a  
4           national service program that receives assistance  
5           from the Corporation for National and Community  
6           Service under subtitle C of title I of the National  
7           and Community Service Act of 1990 (42 U.S.C.  
8           12571 et seq.);

9           “(3) works in underserved rural and urban  
10          communities;

11          “(4) teaches and engages children in experien-  
12          tial learning about agriculture, gardening, nutrition,  
13          cooking, and where food comes from; and

14          “(5) facilitates a connection between elementary  
15          schools and secondary schools and agricultural pro-  
16          ducers in the local and regional area.

17          “(d) ACCOUNTABILITY.—

18                 “(1) IN GENERAL.—The Secretary may require  
19                 an organization or other entity receiving an award  
20                 under subsection (c), or another qualified entity, to  
21                 collect and report any data on the activities carried  
22                 out by the Program as the Secretary determines nec-  
23                 essary.

24                 “(2) EVALUATION.—The Secretary shall—

1           “(A) conduct regular evaluation of the ac-  
2           tivities carried out by the Program; and

3           “(B) submit to the Committee on Agri-  
4           culture of the House of Representatives and the  
5           Committee on Agriculture, Nutrition, and For-  
6           estry of the Senate a report that includes a de-  
7           scription of the results of an evaluation con-  
8           ducted under subparagraph (A).

9           “(e) FUNDING.—

10           “(1) IN GENERAL.—Of the funds of the Com-  
11           modity Credit Corporation, the Secretary shall use  
12           to carry out this section \$25,000,000, to remain  
13           available until expended.

14           “(2) USE OF CERTAIN FUNDS.—Of the funds  
15           made available to carry out this section for a fiscal  
16           year, 20 percent shall be made available to the Na-  
17           tional Institute of Food and Agriculture to offset  
18           costs associated with hosting, training, and over-  
19           seeing individuals in approved national service posi-  
20           tions for the Program.

21           “(3) MAINTENANCE OF EFFORT.—Funds made  
22           available under paragraph (1) shall be used only to  
23           supplement, not to supplant, the amount of Federal  
24           funding otherwise expended for nutrition, research,  
25           and extension programs of the Department.

1 “(f) DEFINITIONS.—For purposes of this section:

2 “(1) APPROVED NATIONAL SERVICE POSI-  
3 TION.—The term ‘approved national service position’  
4 has the meaning given the term in section 101 of the  
5 National and Community Service Act of 1990 (42  
6 U.S.C. 12511)).

7 “(2) ESEA TERMS.—The terms ‘elementary  
8 school’ and ‘secondary school’ have the meanings  
9 given the terms in section 9101 of the Elementary  
10 and Secondary Education Act of 1965 (20 U.S.C.  
11 7801).”.

12 (b) CONFORMING AMENDMENT.—Section 296(b) of  
13 the Department of Agriculture Reorganization Act of  
14 1994 (7 U.S.C. 7014(b)) is amended—

15 (1) in paragraph (6)(C), by striking “or” at the  
16 end;

17 (2) in paragraph (7), by striking the period at  
18 the end and inserting “or”; and

19 (3) by adding at the end the following:

20 “(8) the authority of the Secretary to carry out  
21 activities described in section 242.”.

## **TITLE II—CREDIT**

### **SEC. 201. LOANS TO LOCAL AND REGIONAL FOOD PRODUCERS.**

Subtitle D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981 et seq.) is amended by inserting after section 333C the following new section:

### **“SEC. 333D. LOANS TO LOCAL AND REGIONAL FOOD PRODUCERS.**

“(a) IN GENERAL.—The Secretary shall make and guarantee loans under this title to eligible producers for the production of locally or regionally produced agricultural food products (as defined in section 310B(g)(9)), including qualified producers engaged in direct-to-consumer marketing, direct-to-institution marketing, or direct-to-store marketing, businesses or activities that produce a value-added agricultural product (as defined in section 231(a) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1632a(a)), mid-tier value chains (as defined in such section 231(a)), and other local and regional market outlets.

“(b) TRAINING.—The Secretary shall ensure that loan officers processing loans under this section receive appropriate training to serve borrowers and potential borrowers engaged in local and regional food production.

“(c) VALUATION.—

1           “(1) IN GENERAL.—The Secretary shall develop  
 2           ways to determine unit prices (or other appropriate  
 3           forms of valuation) for crops and other agricultural  
 4           products, the end use of which is intended to be in  
 5           locally or regionally produced agricultural food prod-  
 6           ucts, to facilitate lending to local and regional food  
 7           producers.

8           “(2) PRICE HISTORY.—The Secretary shall im-  
 9           plement a mechanism for local and regional food  
 10          producers to establish price history for the crops and  
 11          other agricultural products produced by such pro-  
 12          ducers.

13          “(d) OUTREACH.—The Secretary shall develop and  
 14          implement an outreach strategy to engage and provide  
 15          loan services to local and regional food producers.”.

16   **SEC. 202. CLARIFICATION OF THE MISSION OF THE FARM**  
 17                   **CREDIT SYSTEM TO RECOGNIZE THE ECO-**  
 18                   **NOMIC BENEFITS OF SUPPORTING YOUNG,**  
 19                   **BEGINNING, AND SMALL FARMERS AND**  
 20                   **RANCHERS, AND CONTRIBUTIONS OF LOCAL**  
 21                   **AND REGIONAL FARM AND FOOD SYSTEMS.**

22          Section 1.1 of the Farm Credit Act of 1971 (12  
 23   U.S.C. 2001) is amended by adding at the end the fol-  
 24   lowing:

1       “(d) Recognizing that the vitality of United States  
 2 agriculture and rural communities depends on the contin-  
 3 ued entry of young, beginning, and small farmers and  
 4 ranchers into agriculture, many of whom will operate  
 5 farms with local and regional food product distribution,  
 6 it is declared to be the policy of the Congress and an objec-  
 7 tive of this Act that the Farm Credit System should en-  
 8 deavor to serve the credit and related needs of these indi-  
 9 viduals and the businesses on which they rely and that  
 10 are necessary to the growth and vitality of local and re-  
 11 gional farm and food systems.”.

12 **SEC. 203. YOUNG, BEGINNING, AND SMALL FARMERS AND**  
 13 **RANCHERS AND LOCALLY OR REGIONALLY**  
 14 **PRODUCED AGRICULTURAL PRODUCTS.**

15       (a) CREDIT FOR YOUNG, BEGINNING, AND SMALL  
 16 FARMERS.—Section 4.19(a) of the Farm Credit Act of  
 17 1971 (12 U.S.C. 2207(a)) is amended—

18           (1) in the first sentence by inserting “and for  
 19 the production of locally or regionally produced agri-  
 20 cultural food products (as defined in section  
 21 310B(g)(10)(A) of the Consolidated Farm and  
 22 Rural Development Act)” before the period; and

23           (2) by inserting after the second sentence the  
 24 following: “Each such program shall include initia-  
 25 tives and may include grants to support current and

1 future borrowers by helping to organize, build, ex-  
 2 pand, or improve infrastructure and markets for lo-  
 3 cally or regionally produced agricultural food prod-  
 4 ucts (as so defined).”.

5 (b) Section 4.19 of such Act (12 U.S.C. 2207(b)) is  
 6 amended by adding at the end the following:

7 “(c) The Farm Credit Administration shall submit to  
 8 the Committee on Agriculture of the House of Representa-  
 9 tives and the Committee on Agriculture, Nutrition, and  
 10 Forestry of the Senate an annual report that contains a  
 11 summary and analysis of the operations and achievements  
 12 of the Farm Credit System as a whole in meeting the ob-  
 13 jectives of this section. The Farm Credit Administration  
 14 shall notify the Congress whenever a program is out of  
 15 compliance with this section, and indicate in the notice  
 16 the steps the Farm Credit Administration is taking in re-  
 17 sponse.”.

## 18 **TITLE III—RURAL** 19 **DEVELOPMENT**

### 20 **SEC. 301. AVAILABILITY OF RURAL BUSINESS OPPOR-** 21 **TUNITY GRANTS FOR LOCAL AND REGIONAL** 22 **FOOD SYSTEMS.**

23 Section 306(a)(11) of the Consolidated Farm and  
 24 Rural Development Act (7 U.S.C. 1926(a)(11)) is amend-  
 25 ed—

1 (1) in subparagraph (A)—

2 (A) in clause (i), by inserting “domestic  
3 and” before “export”;

4 (B) in clause (iv), by striking “and” at the  
5 end;

6 (C) in clause (v)—

7 (i) by inserting “domestic and” before  
8 “international”; and

9 (ii) by striking the period and insert-  
10 ing “; and”; and

11 (D) by adding at the end the following:

12 “(vi) to develop enterprises and busi-  
13 ness ventures that build sustainable local  
14 and regional food systems, including  
15 through processing, aggregation, distribu-  
16 tion, storage, or marketing businesses in  
17 connection with production agriculture.”;  
18 and

19 (2) in subparagraph (D), by striking “2008  
20 through 2012” and inserting “2014 through 2018”.

21 **SEC. 302. CLARIFICATION ON ALLOWED PARTNERSHIPS**  
22 **FOR CERTAIN COMMUNITY FACILITIES**  
23 **GRANTS AND LOANS.**

24 (a) COMMUNITY FACILITIES GRANT PROGRAM.—

25 Section 306(a)(19) of the Consolidated Farm and Rural

1 Development Act (7 U.S.C. 1926(a)(19)) is amended by  
2 adding at the end the following new subparagraph:

3 “(D) PARTNERSHIPS ALLOWED.—An asso-  
4 ciation, unit of general local government, non-  
5 profit corporation, or Indian tribe that receives  
6 a grant under this paragraph may partner with  
7 philanthropic or for-profit entities in developing  
8 specific essential community facilities in rural  
9 areas.”.

10 (b) LOAN GUARANTEES FOR WATER, WASTEWATER,  
11 AND ESSENTIAL COMMUNITY FACILITIES LOANS.—Sec-  
12 tion 306(a)(24) of the Consolidated Farm and Rural De-  
13 velopment Act (7 U.S.C. 1926(a)(24)) is amended by add-  
14 ing at the end the following new subparagraph:

15 “(C) PARTNERSHIPS ALLOWED.—The re-  
16 cipient of a loan guarantee under this para-  
17 graph may partner with philanthropic or for-  
18 profit entities in servicing, or providing addi-  
19 tional credit with respect to, a loan described in  
20 subparagraph (A).”.

1 **SEC. 303. AVAILABILITY OF RURAL BUSINESS ENTERPRISE**  
 2 **GRANTS FOR VALUE-ADDED PROCESSING,**  
 3 **AGGREGATION, DISTRIBUTION, STORAGE,**  
 4 **AND MARKETING IN CONNECTION WITH PRO-**  
 5 **DUCTION AGRICULTURE.**

6 Section 310B of the Consolidated Farm and Rural  
 7 Development Act (7 U.S.C. 1932) is amended—

8 (1) in subsection (a)(2)—

9 (A) in subparagraph (C), by striking  
 10 “and” at the end;

11 (B) in subparagraph (D), by striking the  
 12 period and inserting “; and”; and

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

14 “(E) value-added processing, aggregation,  
 15 distribution, storage, or marketing in connec-  
 16 tion with production agriculture.”; and

17 (2) in subsection (c)(1)(B)(ii), by inserting “,  
 18 aggregation, distribution, storage, or marketing”  
 19 after “processing”.

20 **SEC. 304. MAKING IMPROVEMENTS TO BUSINESS AND IN-**  
 21 **DUSTRY DIRECT AND GUARANTEED LOANS**  
 22 **TO BENEFIT PRODUCERS OF LOCAL OR RE-**  
 23 **GIONALLY PRODUCED AGRICULTURAL FOOD**  
 24 **PRODUCTS.**

25 Section 310B(g) of the Consolidated Farm and Rural  
 26 Development Act (7 U.S.C. 1932(g)) is amended—

1 (1) in paragraph (6)(A)—

2 (A) in clause (i), by striking “value-added  
3 processing” and all that follows through the  
4 semicolon and inserting “value-added proc-  
5 essing, distribution, aggregation, storage, or  
6 marketing of agricultural food products that  
7 create new opportunities for agricultural pro-  
8 ducers;”; and

9 (B) in clause (iii), by striking “subsection  
10 (a)(2)(A)” and inserting “this subsection”; and  
11 (2) in paragraph (9)(B)—

12 (A) in clause (i), by inserting “in rural or  
13 non-rural areas” after “entities”;

14 (B) by striking clauses (ii) and (iii) and in-  
15 serting the following new clauses:

16 “(ii) PRIORITY.—In making or guar-  
17 anteeing a loan under clause (i), the Sec-  
18 retary shall give priority to projects that  
19 will—

20 “(I) result in increased access to  
21 locally or regionally grown food in un-  
22 derserved communities;

23 “(II) create new market opportu-  
24 nities for local or regional agricultural  
25 producers; or

1                   “(III) support strategic economic  
2                   and community development regional  
3                   economic development plans on a  
4                   multijurisdictional basis.

5                   “(iii) GUARANTEE FEE.—In guaran-  
6                   teeing a loan under clause (i), the Sec-  
7                   retary may waive, reduce, or incorporate  
8                   into the amount of the guarantee made  
9                   under such clause, the fee that would oth-  
10                  erwise be imposed under paragraph (5)  
11                  with respect to such guarantee.”;

12                  (C) by redesignating clauses (iv) and (v) as  
13                  clauses (v) and (vi), respectively;

14                  (D) by inserting after clause (iii) the fol-  
15                  lowing new clause:

16                         “(iv) OUTREACH.—The Secretary  
17                         shall develop and implement an outreach  
18                         plan to publicize the availability of loans  
19                         and loan guarantees under this paragraph,  
20                         working closely with rural cooperative de-  
21                         velopment centers, credit unions, commu-  
22                         nity development financial institutions, re-  
23                         gional economic development authorities,  
24                         and other financial and economic develop-  
25                         ment entities.”;

1 (E) in clause (v) (as redesignated by sub-  
2 paragraph (C))—

3 (i) in the matter preceding subclause  
4 (I), by inserting “, and publish on the  
5 internet,” after “Senate”;

6 (ii) by redesignating subclauses (I)  
7 and (II) as subclauses (II) and (III), re-  
8 spectively;

9 (iii) by inserting before subclause (II),  
10 the following new subclause:

11 “(I) summary information on  
12 each such project;”; and

13 (iv) in subclause (II) (as redesignated  
14 by clause (ii)), by inserting “and agricul-  
15 tural producers” after “communities”; and  
16 (F) in clause (vi)(I) (as so redesignated),  
17 by striking “2012” and inserting “2018”.

18 **SEC. 305. VALUE-ADDED AGRICULTURAL PRODUCT MAR-**  
19 **KET DEVELOPMENT GRANTS.**

20 (a) DEFINITIONS.—Section 231(a) of the Agricul-  
21 tural Risk Protection Act of 2000 (7 U.S.C. 1632a(a)(3))  
22 is amended—

23 (1) in paragraph (3)—

24 (A) in the matter preceding subparagraph

25 (A), by inserting “(including networks that op-

1           erate through food distribution centers that co-  
 2           ordinate agricultural production and the aggre-  
 3           gation, storage, processing, distribution, and  
 4           marketing of locally or regionally produced agri-  
 5           cultural products)” after “products”; and

6                   (B) in subparagraph (A), by striking “a  
 7           family farm” and inserting “family farms”; and

8           (2) in paragraph (5)(A)(v), by inserting “or as  
 9           part of a mid-tier value chain” before the semicolon.

10          (b) GRANT PROGRAM.—Section 231(b) of the Agri-  
 11          cultural Risk Protection Act of 2000 (7 U.S.C. 1632a(b))  
 12          is amended—

13               (1) in paragraph (1)—

14                   (A) in the matter preceding subparagraph

15               (A)—

16                           (i) by striking “paragraph (7)” and  
 17                           inserting “paragraph (8)”; and

18                           (ii) by inserting “, using a peer review  
 19                           process,” before “shall”; and

20                   (B) in subparagraph (A)(i), by inserting  
 21           “or conducting a feasibility study” after “busi-  
 22           ness plan”;

23           (2) by striking paragraph (6) and inserting the  
 24           following new paragraph:

1           “(6) PRIORITY.—In awarding grants under this  
2 subsection, the Secretary shall—

3           “(A) in the case of grants awarded under  
4 paragraph (1)(A), give priority to—

5           “(i) operators of small- and medium-  
6 sized farms and ranches that are struc-  
7 tured as family farms; or

8           “(ii) beginning farmers and ranchers  
9 or socially disadvantaged farmers and  
10 ranchers; and

11          “(B) in the case of grants awarded under  
12 paragraph (1)(B), give priority to projects that,  
13 as determined through peer review, best con-  
14 tribute to—

15          “(i) increasing opportunities for oper-  
16 ators of small- and medium-sized farms  
17 and ranches that are structured as family  
18 farms; or

19          “(ii) creating opportunities for begin-  
20 ning farmers and ranchers or socially dis-  
21 advantaged farmers and ranchers.”;

22          (3) by redesignating paragraph (7) as para-  
23 graph (8);

24          (4) by inserting after paragraph (6) the fol-  
25 lowing new paragraph:

1           “(7) OUTREACH AND TECHNICAL ASSIST-  
 2           ANCE.—The Secretary shall develop and implement  
 3           an outreach and technical assistance strategy to as-  
 4           sist recipients of a grant under this subsection reach  
 5           and serve underserved States and communities (as  
 6           determined by the Secretary).”; and

7           (5) in paragraph (8) (as redesignated by para-  
 8           graph (3))—

9           (A) by striking subparagraph (A) and in-  
 10          serting the following new subparagraph:

11          “(A) MANDATORY FUNDING.—Of the  
 12          funds of the Commodity Credit Corporation, the  
 13          Secretary shall make available to carry out this  
 14          subsection—

15               “(i) \$15,000,000 for the period of fis-  
 16               cal years 2008 through 2013, to remain  
 17               available until expended; and

18               “(ii) \$20,000,000 for each of fiscal  
 19               years 2014 through 2018, to remain avail-  
 20               able until expended.”;

21          (B) in subparagraph (B), by striking  
 22          “2012” and inserting “2018”; and

23          (C) by striking subparagraph (C) and in-  
 24          serting the following new subparagraph:

25          “(C) PRIORITY FUNDING.—

1           “(i) IN GENERAL.—The Secretary  
2           shall, to the maximum extent practicable,  
3           reserve not less than two-thirds of the  
4           amounts made available for each fiscal  
5           year under this paragraph to fund grants  
6           with respect to which priority is given  
7           under paragraph (6).

8           “(ii) RESERVATION OF FUNDS FOR  
9           PROJECTS TO BENEFIT BEGINNING FARM-  
10          ERS OR RANCHERS, SOCIALLY DISADVAN-  
11          TAGED FARMERS OR RANCHERS, AND MID-  
12          TIER VALUE CHAINS.—

13           “(I) IN GENERAL.—The Sec-  
14          retary shall reserve 10 percent of the  
15          amounts made available for each fiscal  
16          year under this paragraph to fund  
17          projects that benefit beginning farm-  
18          ers or ranchers or socially disadvan-  
19          taged farmers or ranchers.

20           “(II) MID-TIER VALUE  
21          CHAINS.—The Secretary shall reserve  
22          10 percent of the amounts made avail-  
23          able for each fiscal year under this  
24          paragraph to fund applications of eli-  
25          gible entities described in paragraph

1 (1) that propose to develop mid-tier  
2 value chains.

3 “(III) UNOBLIGATED  
4 AMOUNTS.—Any amounts in the re-  
5 serves for a fiscal year established  
6 under subclauses (I) and (II) that are  
7 not obligated by the date on which the  
8 Secretary completes the review proc-  
9 ess for applications submitted under  
10 this section in the fiscal year shall be  
11 available to the Secretary to make  
12 grants under this subsection to eligi-  
13 ble entities in any State, as deter-  
14 mined by the Secretary.”.

15 **TITLE IV—RESEARCH, EDU-**  
16 **CATION, AND RELATED MAT-**  
17 **TERS**

18 **SEC. 401. AGRICULTURE AND FOOD RESEARCH INITIATIVE.**

19 Subsection (b) of the Competitive, Special, and Fa-  
20 cilities Research Grant Act (7 U.S.C. 450i(b)) is amend-  
21 ed—

22 (1) in paragraph (1), by striking “food and ag-  
23 ricultural sciences” and all that follows through the  
24 period at the end and inserting the following: “food  
25 and agricultural sciences (as defined under section

1       1404 of the National Agricultural Research, Extension,  
2       and Teaching Policy Act of 1977 (7 U.S.C.  
3       3103))—

4               “(A) in the case of a grant made under  
5       paragraph (6), to an entity described in sub-  
6       paragraphs (A), (B), (C), or (D) of such para-  
7       graph; and

8               “(B) in the case of any other grant made  
9       under this subsection, to any eligible entity de-  
10      scribed in paragraph (7), including a grant  
11      made for—

12              “(i) fundamental research (as defined  
13      in section 251(f)(1) of the Department of  
14      Agriculture Reorganization Act of 1994 (7  
15      U.S.C. 6971(f)(1)));

16              “(ii) applied research (as defined in  
17      such section 251(f)(1));

18              “(iii) integrated research conducted  
19      pursuant to section 406 of the Agricultural  
20      Research, Extension, and Education Re-  
21      form Act of 1998 (7 U.S.C. 7626); or

22              “(iv) integrated research so conducted  
23      that is applied or fundamental research.”;

24              (2) in paragraph (2)—

1 (A) in subparagraph (A)(iii), by striking  
2 “conventional breeding, including cultivar and  
3 breed development,” and inserting “public  
4 cultivar development through conventional  
5 breeding with no requirement or preference for  
6 the use of marker-assisted or genomic selection  
7 methods, including”;

8 (B) in subparagraph (B)(iv), by striking  
9 “conventional breeding, including breed develop-  
10 ment,” and inserting “public breed development  
11 through conventional breeding with no require-  
12 ment or preference for the use of marker-as-  
13 sisted or genomic selection methods, including”;  
14 and

15 (C) in subparagraph (F)—

16 (i) in clause (v), by striking “and” at  
17 the end;

18 (ii) in clause (vi), by striking the pe-  
19 riod at the end and inserting “; and”; and

20 (iii) by adding at the end the fol-  
21 lowing new clause:

22 “(vii) new approaches to advance sys-  
23 tems that enhance the markets for, and  
24 policy related to, locally or regionally pro-  
25 duced agricultural food products, as de-

1                   fined in section 310B(g)(9)(A) of the Con-  
 2                   solidated Farm and Rural Development  
 3                   Act (7 U.S.C. 1932(g)(9)(A)).”;

4                   (3) in paragraph (4)(A), by inserting “, includ-  
 5                   ing by conducting each fiscal year at least 1 sepa-  
 6                   rate request for applications for grants for research  
 7                   on public cultivar development through conventional  
 8                   breeding as described in paragraph (2)” before the  
 9                   semicolon at the end;

10                  (4) by redesignating paragraph (11) as para-  
 11                  graph (12);

12                  (5) by inserting after paragraph (10) the fol-  
 13                  lowing new paragraph:

14                  “(11) DEFINITIONS.—In this subsection:

15                         “(A) CONVENTIONAL BREEDING.—The  
 16                         term ‘conventional breeding’ means the develop-  
 17                         ment of new varieties of an organism through  
 18                         controlled mating and selection without the use  
 19                         of transgenic methods.

20                         “(B) PUBLIC BREED.—The term ‘public  
 21                         breed’ means a breed that is the commercially  
 22                         available uniform end product of a publicly  
 23                         funded breeding program that—

1 “(i) has been sufficiently tested to  
 2 demonstrate improved characteristics and  
 3 stable performance; and

4 “(ii) remains in the public domain for  
 5 research purposes.

6 “(C) PUBLIC CULTIVAR.—The term ‘public  
 7 cultivar’ means a cultivar that is the commer-  
 8 cially available uniform end product of a pub-  
 9 licly funded breeding program that—

10 “(i) has been sufficiently tested to  
 11 demonstrate improved characteristics and  
 12 stable performance; and

13 “(ii) remains in the public domain for  
 14 research purposes.”; and

15 (6) in paragraph (12)(A) (as redesignated by  
 16 paragraph (4)), in the matter preceding clause (i),  
 17 by striking “2012” and inserting “2018”.

18 **SEC. 402. LOCAL AND REGIONAL FOOD SYSTEM ENTER-**  
 19 **PRISE FACILITATION.**

20 Section 502 of the Rural Development Act of 1972  
 21 (7 U.S.C. 2662) is amended by inserting after subsection  
 22 (e) the following new subsection:

23 “(f) LOCAL AND REGIONAL FARM AND FOOD SYS-  
 24 TEM ENTERPRISE FACILITATION.—

1           “(1) IN GENERAL.—The Secretary shall estab-  
2       lish a local and regional farm and food system enter-  
3       prise facilitation initiative to increase training and  
4       technical assistance for purposes of building sustain-  
5       able local and regional food systems, the activities of  
6       which may include—

7           “(A) providing practical, reliable, and  
8       timely information to entrepreneurs and entre-  
9       preneurial development organizations con-  
10      cerning business management, business plan-  
11      ning, microenterprise, marketing, and entrepre-  
12      neurial education and training related to the  
13      development of local and regional farm and food  
14      system enterprises;

15          “(B) providing training and technical as-  
16      sistance to newly operational and growing local  
17      and regional farm and food system businesses;

18          “(C) establishing networks of entrepre-  
19      neurial support through partnerships among en-  
20      trepreneurs, local business communities, all lev-  
21      els of government, nonprofit organizations, col-  
22      leges and universities, and other sectors; and

23          “(D) providing technical assistance for the  
24      preparation of grant and loan applications sub-

mitted for purposes of carrying out an activity referred to in subparagraphs (A), (B), or (C).

“(2) ENTERPRISE FACILITATORS.—

“(A) IN GENERAL.—In carrying out the initiative established under paragraph (1), the Secretary shall establish in the National Institute of Food and Agriculture the position of enterprise facilitator (referred to in this subsection as an ‘enterprise facilitator’) to perform the duties specified in subparagraph (C).

“(B) PRIORITY.—In allocating funds made available to carry out this subsection, the Secretary shall give priority to enterprise facilitators located in areas that—

“(i) have high participation rates for the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.); and

“(ii) are rural areas (as defined in section 343(13) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(13))).

“(C) DUTIES.—An enterprise facilitator shall, to the maximum extent practicable—

1           “(i) identify and organize local and  
2 regional food producers and entrepreneurs  
3 into entities that are able to deliver local  
4 and regional food into local markets;

5           “(ii) develop partnerships with local  
6 and regional organizations and institutions  
7 to train entrepreneurs and facilitate new  
8 enterprises, including partnerships eligible  
9 for or that have received a grant under  
10 paragraph (3);

11           “(iii) assist local and regional agricul-  
12 tural producers and processors, including  
13 new producers and processors, with mar-  
14 keting and distribution of local and re-  
15 gional food products;

16           “(iv) identify and work to remove bar-  
17 riers to the movement of local and regional  
18 food products into the marketplace;

19           “(v) work with local expanded food  
20 and nutrition education programs, schools  
21 and other local institutions, and individuals  
22 to assist in the development of food aggre-  
23 gation, processing, distribution, and stor-  
24 age skills in the locality or region involved;

1 “(vi) provide technical assistance in  
2 the preparation of grant and loan applica-  
3 tions submitted for purposes of carrying  
4 out an activity referred to in paragraph  
5 (1); and

6 “(vii) work with private sources of  
7 funding and other Federal and State agen-  
8 cies to acquire funds for such purposes  
9 through grants and loans.

10 “(3) GRANTS.—

11 “(A) AUTHORITY.—In carrying out the ini-  
12 tiative established under paragraph (1), the  
13 Secretary shall award grants to eligible entities,  
14 on a competitive basis, to provide training or  
15 technical assistance for purposes of building  
16 sustainable local and regional food systems.

17 “(B) ELIGIBILITY.—An eligible entity  
18 under this paragraph is a collaborative State,  
19 tribal, local, or regionally based network or  
20 partnership of public or private entities, includ-  
21 ing a network or partnership of—

22 “(i) colleges and universities, includ-  
23 ing cooperative extension colleges and uni-  
24 versities;

25 “(ii) nonprofit organizations;

1 “(iii) Federal, State, local, and tribal  
2 governmental entities; or

3 “(iv) any other appropriate entities,  
4 as determined by the Secretary.

5 “(C) APPLICATION.—An eligible entity  
6 seeking a grant under this paragraph shall sub-  
7 mit to the Secretary an application in such time  
8 and in such manner and containing such infor-  
9 mation as the Secretary may require, including  
10 information on any project the entity intends to  
11 carry out using grant funds.

12 “(D) PRIORITY.—In awarding grants  
13 under this paragraph, the Secretary shall give  
14 priority to applications submitted by eligible en-  
15 tities that are led by or include non-profit com-  
16 munity-based organizations with expertise in  
17 providing training or technical assistance to  
18 local and regional food producers.

19 “(E) CONSIDERATION OF PROJECTS.—In  
20 awarding grants under this paragraph, the Sec-  
21 retary shall consider, with respect to a project  
22 included in an application submitted under sub-  
23 paragraph (C)—

24 “(i) the relevance of the project to the  
25 initiative established under paragraph (1);

1 “(ii) the appropriateness of the design  
2 of the project;

3 “(iii) the likelihood of achieving the  
4 objectives of the project;

5 “(iv) the inclusion of entrepreneurs  
6 and community leaders in the project;

7 “(v) the availability of enterprise  
8 facilitators to assist with the project;

9 “(vi) adequacy of plans for outreach,  
10 evaluation, reporting, and communication;  
11 and

12 “(vii) the national or regional applica-  
13 bility of the findings and outcomes of the  
14 project.

15 “(F) TERM.—The term of a grant pro-  
16 vided under this paragraph shall be not more  
17 than three years.”.

18 **SEC. 403. CONVENTIONAL BREEDING INITIATIVE.**

19 (a) IN GENERAL.—Section 251(e) of the Department  
20 of Agriculture Reorganization Act of 1994 (7 U.S.C.  
21 6971(e)) is amended by adding at the end the following  
22 new paragraph:

23 “(6) CONVENTIONAL PLANT AND ANIMAL  
24 BREEDING SPECIAL INITIATIVE.—

1           “(A) IN GENERAL.—The Under Secretary  
2 shall establish a special initiative within the Re-  
3 search, Education, and Extension Office to co-  
4 ordinate research activities at the Department  
5 relating to conventional plant and animal breed-  
6 ing.

7           “(B) WORKING GROUP.—In carrying out  
8 the special initiative established under subpara-  
9 graph (A), the Under Secretary shall establish  
10 a working group that reports to the Under Sec-  
11 retary, to be comprised of individuals who are  
12 responsible for the management or administra-  
13 tion of public breeding programs in the Depart-  
14 ment from each of the following agencies within  
15 the Department:

16               “(i) The National Institute of Food  
17 and Agriculture.

18               “(ii) The Agricultural Research Serv-  
19 ice.

20               “(iii) The Economic Research Service.

21               “(iv) The National Agricultural Sta-  
22 tistics Service.

23           “(C) DUTIES OF WORKING GROUP.—The  
24 working group shall—

1 “(i) coordinate conventional plant and  
2 animal breeding research being conducted  
3 at or funded by an agency described in  
4 subparagraph (B);

5 “(ii) carry out ongoing analysis and  
6 tracking activities for public grants to en-  
7 sure that a diverse range of crop and ani-  
8 mal breeding needs are being met in a  
9 timely and transparent manner;

10 “(iii) coordinate and collaborate with  
11 the National Genetics Resource Advisory  
12 Council established pursuant to section  
13 1632 of the Food, Agriculture, Conserva-  
14 tion, and Trade Act of 1990 (7 U.S.C.  
15 5841);

16 “(iv) maximize the delivery of public  
17 cultivars and public breeds and ensure the  
18 efficient coordination of the activities of  
19 the working group and the activities of  
20 each of—

21 “(I) the Agricultural Research  
22 Service;

23 “(II) the National Institute of  
24 Food and Agriculture;

1 “(III) the National Genetic Re-  
2 sources Advisory Council;

3 “(IV) genetic resource conserva-  
4 tion centers;

5 “(V) land-grant colleges and uni-  
6 versities (as defined in section 1404 of  
7 the National Agricultural Research,  
8 Extension, and Teaching Policy Act of  
9 1977 (7 U.S.C. 3103));

10 “(VI) nongovernmental organiza-  
11 tions with interests or expertise in  
12 conventional breeding; and

13 “(VII) public and private conven-  
14 tional plant and animal breeders; and

15 “(v) evaluate conventional public plant  
16 and animal breeding activities and out-  
17 comes to make recommendations to the  
18 Under Secretary on the adequacy of  
19 human and financial resources needed to  
20 ensure that the next generation of public  
21 breeders and agricultural breeders are pre-  
22 pared to meet the challenges of the future.

23 “(D) ADVISORY BOARD.—The Under Sec-  
24 retary shall establish an advisory board whose  
25 primary duty will be to make recommendations

1 to the working group established under sub-  
2 paragraph (B) on matters related to the duties  
3 specified in subparagraph (C). The advisory  
4 board shall be comprised of individuals with ex-  
5 pertise in conventional plant and animal breed-  
6 ing including representatives from each of the  
7 following:

8 “(i) The Agricultural Research Serv-  
9 ice.

10 “(ii) The National Institute of Food  
11 and Agriculture.

12 “(iii) Private foundations and non-  
13 profit organizations that have expertise in  
14 conventional plant and animal breeding.

15 “(iv) Private agricultural research and  
16 technology transfer firms.

17 “(v) Land-grant colleges and univer-  
18 sities.

19 “(E) DEFINITIONS.—The terms ‘conven-  
20 tional breeding’, ‘public cultivar’, and ‘public  
21 breed’ have the meaning given such terms in  
22 paragraph (11) of subsection (b) of the of the  
23 Competitive, Special, and Facilities Research  
24 Grant Act (7 U.S.C. 450i(b)).”.

1 (b) CONFORMING AMENDMENT.—Section 296(b) of  
2 the Department of Agriculture Reorganization Act of  
3 1994 (7 U.S.C. 7014(b)), as amended by section 109(b),  
4 is further amended—

5 (1) in paragraph (7) (as amended by such sec-  
6 tion 109(b)), by striking “or” at the end;

7 (2) in paragraph (8), (as amended by such sec-  
8 tion 109(b)), by striking the period at the end and  
9 inserting “; or”; and

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

12 “(9) the authority of the Secretary to establish  
13 a conventional plant and animal breeding special ini-  
14 tiative under section 251(e).”.

15 **SEC. 404. NATIONAL GENETICS RESOURCES PROGRAM.**

16 Section 1632(d) of the Food, Agriculture, Conserva-  
17 tion, and Trade Act of 1990 (7 U.S.C. 5841(d)) is amend-  
18 ed—

19 (1) in paragraph (5), by striking “and” after  
20 the semicolon at the end;

21 (2) by redesignating paragraph (6) as para-  
22 graph (7); and

23 (3) by inserting after paragraph (5) the fol-  
24 lowing new paragraph:

1 “(6) establish a national strategic germplasm  
2 assessment and use plan to meet food security goals  
3 for the future; and”.

## 4 **TITLE V—HORTICULTURE**

### 5 **SEC. 501. FARMERS MARKET AND LOCAL FOOD PRO-** 6 **MOTION PROGRAM.**

7 Section 6 of the Farmer-to-Consumer Direct Mar-  
8 keting Act of 1976 (7 U.S.C. 3005) is amended—

9 (1) in the section heading, by adding “AND  
10 LOCAL FOOD” after “MARKET”;

11 (2) in subsection (a)—

12 (A) by inserting “and Local Food” after  
13 “Market”;

14 (B) by striking “farmers’ markets and to  
15 promote”; and

16 (C) by inserting “and local food capacity  
17 development” before the period at the end;

18 (3) in subsection (b), by striking paragraph (1)  
19 and inserting the following:

20 “(1) IN GENERAL.—The purposes of the Pro-  
21 gram are to increase domestic consumption of and  
22 access to locally and regionally produced agricultural  
23 products by developing, improving, expanding, and  
24 providing outreach, training, and technical assist-

1       ance to, or assisting in the development, improve-  
 2       ment and expansion of—

3               “(A) domestic farmers’ markets, roadside  
 4       stands, community-supported agriculture pro-  
 5       grams, agritourism activities, and other direct  
 6       producer-to-consumer market opportunities; and

7               “(B) local and regional food enterprises  
 8       that are not direct producer-to-consumer mar-  
 9       kets but process, distribute, aggregate, store,  
 10      and market locally or regionally produced food  
 11      products.”;

12      (4) in subsection (c)(1)—

13              (A) by inserting “or other agricultural  
 14      business entity” after “cooperative”; and

15              (B) by inserting “, including a community  
 16      supported agriculture network or association”  
 17      after “association”;

18      (5) by redesignating subsection (e) as sub-  
 19      section (f);

20      (6) by inserting after subsection (d) the fol-  
 21      lowing new subsection:

22      “(e) PRIORITIES.—In providing grants under the  
 23      Program, priority shall be given to applications that in-  
 24      clude projects that—

25              “(1) benefit underserved communities;

1 “(2) develop market opportunities for small and  
2 mid-sized farm and ranch operations; and

3 “(3) include a strategic plan to maximize the  
4 use of funds to build capacity for local and regional  
5 food systems in a community.”; and

6 (7) in subsection (f) (as redesignated by para-  
7 graph (5))—

8 (A) in paragraph (1)—

9 (i) in the heading, by striking “FIS-  
10 CAL YEARS 2008 THROUGH 2012” and in-  
11 sserting “COMMODITY CREDIT CORPORA-  
12 TION FUNDING FOR FISCAL YEARS 2008  
13 THROUGH 2012 AND 2014 THROUGH 2018”;

14 (ii) in subparagraph (B), by striking  
15 “and” after the semicolon at the end;

16 (iii) in subparagraph (C), by striking  
17 the period at the end and inserting “;  
18 and”; and

19 (iv) by adding at the end the fol-  
20 lowing:

21 “(D) \$20,000,000 for each of fiscal years  
22 2014 through 2018.”;

23 (B) by striking paragraphs (2) and (4);

24 (C) by redesignating paragraph (3) as  
25 paragraph (4);

1 (D) by inserting after paragraph (1) the  
2 following new paragraphs:

3 “(2) AUTHORIZATION OF APPROPRIATIONS.—In  
4 addition to funds made available under paragraph  
5 (1), there is authorized to be appropriated to carry  
6 out this section \$20,000,000 for each of fiscal years  
7 2013 through 2018.

8 “(3) USE OF FUNDS.—

9 “(A) IN GENERAL.—Of the funds made  
10 available to carry out the Program for each fis-  
11 cal year, to the maximum extent practicable, 50  
12 percent shall be used for the purposes described  
13 in subsection (b)(1)(A) and 50 percent shall be  
14 used for the purposes described in subsection  
15 (b)(1)(B).

16 “(B) COST SHARE.—To be eligible to re-  
17 ceive a grant for a project described in sub-  
18 section (b)(1)(B), a recipient shall provide a  
19 match in the form of cash or in-kind contribu-  
20 tions in an amount equal to 25 percent of the  
21 total cost of the project.”; and

22 (E) by adding at the end the following new  
23 paragraphs:

24 “(5) ADMINISTRATIVE EXPENSES.—Not more  
25 than 10 percent of the total amount made available

1 to carry out this section for a fiscal year may be  
 2 used for administrative expenses.

3 “(6) LIMITATIONS.—An eligible entity may not  
 4 use a grant or other assistance provided under the  
 5 Program for the purchase, construction, or rehabili-  
 6 tation of a building or structure.”.

7 **SEC. 502. SPECIALTY CROP BLOCK GRANTS.**

8 (a) DEFINITIONS.—Section 3 of the Specialty Crops  
 9 Competitiveness Act of 2004 (7 U.S.C. 1621 note) is  
 10 amended—

11 (1) by redesignating paragraphs (1), (2), and  
 12 (3) as paragraphs (2), (3), and (4), respectively; and  
 13 (2) by inserting before paragraph (2), as redes-  
 14 ignated by paragraph (1) of this subsection, the fol-  
 15 lowing new paragraph:

16 “(1) The term ‘locally or regionally produced  
 17 food’ has the meaning given the term ‘locally or re-  
 18 gionally produced agricultural food products’ in sec-  
 19 tion 310B(g)(9)(A)(i) of the Consolidated Farm and  
 20 Rural Development Act (7 U.S.C.  
 21 1932(g)(9)(A)(i)).”.

22 (b) AVAILABILITY AND PURPOSES OF GRANTS.—  
 23 Subsection (a) of section 101 of such Act is amended—

24 (1) in the heading, by striking “PURPOSE” and  
 25 inserting “PURPOSES”;

1           (2) by striking “2005 through 2012” and in-  
2       serting “2013 through 2018”; and

3           (3) by striking “solely to enhance” and all that  
4       follows and inserting “to increase the consumption  
5       and availability of specialty crops, including those  
6       that are locally or regionally produced, and to in-  
7       crease the profitability, ecological sustainability, and  
8       competitiveness of specialty crop production.”.

9       (c) PREFERENCE.—Such section 101 is further  
10   amended—

11           (1) by redesignating subsections (g), (h), (i),  
12       and (j) as subsections (i), (j), (k), and (m), respec-  
13       tively; and

14           (2) by inserting after subsection (f) the fol-  
15       lowing new subsection:

16       “(g) PREFERENCE.—In using grant funds provided  
17       under this section, the State receiving the grant shall give  
18       a preference to proposals that demonstrate ability to have  
19       direct positive impact on—

20           “(1) farm profitability and sustainability;

21           “(2) improved distribution capacity for locally  
22       or regionally produced foods; or

23           “(3) increased domestic consumption and af-  
24       fordability of edible specialty crops, particularly in  
25       low-income communities; and”.

1 (d) TRANSPARENCY.—Such section 101 is further  
 2 amended by inserting after subsection (g), as added by  
 3 subsection (c) of this section, the following new subsection:

4 “(h) TRANSPARENCY.—Each State receiving a grant  
 5 under this section shall, in a timely manner, publish on  
 6 an Internet website summary information about all grants  
 7 received under this section and reports on the implementa-  
 8 tion of projects funded by such grants.”.

9 (e) USE OF GRANT FUNDS.—Such section 101 is fur-  
 10 ther amended by inserting after subsection (k), as redesign-  
 11 nated by subsection (e)(1) of this section, the following  
 12 new subsection:

13 “(l) USE OF GRANT FUNDS.—The Secretary shall  
 14 consider expansion of the grant program under this sec-  
 15 tion to include traditional foods of federally recognized In-  
 16 dian tribes and other minority communities and may pub-  
 17 lish appropriate guidance to States receiving grants under  
 18 this section regarding any such expansion.”.

19 **SEC. 503. STUDY ON LOCAL FOOD PRODUCTION AND PRO-**  
 20 **GRAM EVALUATION.**

21 (a) IN GENERAL.—The Secretary shall—

22 (1) collect data on the production and mar-  
 23 keting of locally or regionally produced agricultural  
 24 food products;

1           (2) facilitate interagency collaboration and data  
2       sharing on programs related to local and regional  
3       food systems; and

4           (3) monitor the effectiveness of programs de-  
5       signed to expand or facilitate local food systems.

6       (b) REQUIREMENTS.—In carrying out this section,  
7       the Secretary shall—

8           (1) collect and distribute comprehensive report-  
9       ing of prices of locally or regionally produced agri-  
10      cultural food products;

11          (2) conduct surveys and analysis and publish  
12      reports relating to the production, handling, dis-  
13      tribution, retail sales, and trend studies (including  
14      consumer purchasing patterns) of or on locally or re-  
15      gionally produced agricultural food products;

16          (3) evaluate the effectiveness of existing pro-  
17      grams in growing local and regional food systems,  
18      including—

19            (A) the impact of local food systems on job  
20      creation and economic development;

21            (B) the level of participation in the Farm-  
22      ers' Market and Local Food Promotion Pro-  
23      gram established under section 6 of the Farm-  
24      er-to-Consumer Direct Marketing Act of 1976  
25      (7 U.S.C. 3005), including the percentage of

1 projects funded in comparison to applicants and  
2 the types of eligible entities receiving funds;

3 (C) the ability for participants to leverage  
4 private capital and a synopsis of the places  
5 from which non-Federal funds are derived; and

6 (D) any additional resources required to  
7 aid in the development or expansion of local  
8 and regional food systems;

9 (4) expand the Agricultural Resource Manage-  
10 ment Survey to include questions on locally or re-  
11 gionally produced agricultural food products;

12 (5) seek to establish or expand private-public  
13 partnerships to facilitate, to the maximum extent  
14 practicable, the collection of data on locally or re-  
15 gionally produced agricultural food products, includ-  
16 ing the development of a nationally coordinated and  
17 regionally balanced evaluation of the redevelopment  
18 of locally or regionally produced food systems;

19 (6) form an interagency work group that in-  
20 cludes representatives from—

21 (A) the Agricultural Marketing Service;

22 (B) the Agricultural Research Service;

23 (C) the Economic Research Service;

24 (D) the Food and Nutrition Service;

1 (E) the Food Safety and Inspection Serv-  
2 ice;

3 (F) the National Agricultural Statistics  
4 Service;

5 (G) the National Institute of Food and Ag-  
6 riculture; and

7 (H) other agencies that are involved in  
8 data collection and research on locally or re-  
9 gionally produced agricultural food products;  
10 and

11 (7) authorize the National Agricultural Statis-  
12 tics Service to create and administer—

13 (A) a follow up survey to the Census of  
14 Agriculture to collect detailed data on producers  
15 who indicated that the producers sell to mar-  
16 kets for locally or regionally produced agricul-  
17 tural food products; and

18 (B) a survey for the purpose of collecting  
19 market data, including sales by product type  
20 and supply chain or sourcing data, from all ven-  
21 dors, including retail and wholesale vendors, of  
22 locally and regionally produced agricultural food  
23 products.

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

1 September 30, 2018, the Secretary shall submit to the  
 2 Committee on Agriculture of the House of Representatives  
 3 and the Committee on Agriculture, Nutrition, and For-  
 4 estry of the Senate a report describing the progress that  
 5 has been made in implementing this section and identi-  
 6 fying any additional needs related to developing local and  
 7 regional food systems.

8 (d) FUNDING.—

9 (1) IN GENERAL.—Of the funds of the Com-  
 10 modity Credit Corporation, the Secretary shall use  
 11 to carry out this section \$5,000,000, to remain  
 12 available until expended.

13 (2) ADDITIONAL FUNDING.—In addition to the  
 14 funds made available under (1), there are authorized  
 15 to be appropriated to carry out this section  
 16 \$5,000,000 for each of fiscal years 2014 through  
 17 2018, to remain available until expended.

## 18 **TITLE VI—CROP INSURANCE**

### 19 **SEC. 601. RESEARCH AND DEVELOPMENT AUTHORITY.**

20 (a) IN GENERAL.—Section 522(c) of the Federal  
 21 Crop Insurance Act (7 U.S.C. 1522(c)) is amended—

22 (1) in the subsection heading, by striking  
 23 “CONTRACTING”;

24 (2) in paragraph (1), in the matter preceding  
 25 subparagraph (A), by striking “may enter into con-

1       tracts to carry out research and development to”  
2       and inserting “may conduct activities or enter into  
3       contracts to carry out research and development to  
4       maintain or improve existing policies or develop new  
5       policies to”;

6               (3) in paragraph (2)—

7                       (A) in subparagraph (A), by inserting  
8               “conduct research and development or” after  
9               “The Corporation may”; and

10                      (B) by striking subparagraph (B) and in-  
11               serting the following new paragraph:

12                      “(B) CONSULTATION.—Before conducting  
13               research and development or entering into a  
14               contract under subparagraph (A), the Corpora-  
15               tion shall follow the consultation requirements  
16               described in section 508(h)(4)(E).”;

17                      (4) in paragraph (5), by inserting “after expert  
18               review in accordance with section 505(e) and proce-  
19               dures of the Board” after “approved by the Board”;  
20               and

21                      (5) in paragraph (6), by striking “a pasture,  
22               range, and forage program” and inserting “policies  
23               that increase participation by producers of under-  
24               served agricultural commodities, including sweet sor-

1       ghum, sorghum for biomass, specialty crops, sugar-  
2       cane, and dedicated energy crops”.

3       (b) FUNDING.—Section 522(e) of the Federal Crop  
4 Insurance Act (7 U.S.C. 1522(e)) is amended—

5               (1) in paragraph (2)—

6                       (A) in the paragraph heading, by striking  
7               “CONTRACTING” and inserting “CONDUCTING  
8               AND CONTRACTING FOR RESEARCH AND DEVEL-  
9               OPMENT”;

10                      (B) in subparagraph (A), by inserting  
11               “conduct research and development and” after  
12               “the Corporation may use to”; and

13                      (C) in subparagraph (B), by inserting  
14               “conduct research and development and” after  
15               “for the fiscal year to”;

16               (2) in paragraph (3), in the matter preceding  
17       subparagraph (A), by striking “to provide either re-  
18       imbursement payments or contract payments”; and

19               (3) by striking paragraph (4).

20 **SEC. 602. WHOLE FARM RISK MANAGEMENT INSURANCE.**

21       Section 522(c) of the Federal Crop Insurance Act (7  
22 U.S.C. 1522(c)) is amended by adding at the end the fol-  
23 lowing new paragraph:

24               “(18) WHOLE FARM DIVERSIFIED RISK MAN-  
25       AGEMENT INSURANCE PLAN.—

1           “(A) IN GENERAL.—The Corporation shall  
2           conduct activities or enter into contracts to  
3           carry out research and development to develop  
4           a whole farm risk management insurance plan,  
5           with a liability limitation of \$1,500,000, that  
6           allows a diversified crop or livestock producer  
7           the option to qualify for an indemnity if actual  
8           gross farm revenue is below 85 percent of the  
9           average gross farm revenue or the expected  
10          gross farm revenue that can reasonably be ex-  
11          pected of the producer, as determined by the  
12          Corporation.

13          “(B) ELIGIBLE PRODUCERS.—The Cor-  
14          poration shall permit producers (including di-  
15          rect-to-consumer marketers, and producers  
16          servicing local and regional and farm identity-  
17          preserved markets) who produce multiple agri-  
18          cultural commodities, including specialty crops,  
19          industrial crops, livestock, and aquaculture  
20          products, to participate in the plan in lieu of  
21          any other plan under this subtitle.

22          “(C) DIVERSIFICATION.—The Corporation  
23          may provide diversification-based additional  
24          coverage payment rates, premium discounts, or  
25          other enhanced benefits in recognition of the

1 risk management benefits of crop and livestock  
2 diversification strategies for producers that  
3 grow multiple crops or that may have income  
4 from the production of livestock that uses a  
5 crop grown on the farm.

6 “(D) MARKET READINESS.—The Corpora-  
7 tion may include coverage for the value of any  
8 packing, packaging, or any other similar on-  
9 farm activity the Corporation determines to be  
10 the minimum required in order to remove the  
11 commodity from the field.

12 “(E) REPORT.—Not later than 2 years  
13 after the date of enactment of this paragraph,  
14 the Corporation shall submit to the Committee  
15 on Agriculture of the House of Representatives  
16 and the Committee on Agriculture, Nutrition,  
17 and Forestry of the Senate a report that de-  
18 scribes the results and feasibility of the re-  
19 search and development conducted under this  
20 paragraph, including an analysis of potential  
21 adverse market distortions.”.

1 **SEC. 603. APPROVAL OF COSTS FOR RESEARCH AND DE-**  
2 **VELOPMENT.**

3 Section 522(b)(2) of the Federal Crop Insurance Act  
4 (7 U.S.C. 1522(b)(2)) is amended by striking subpara-  
5 graph (E) and inserting the following new subparagraph:

6 “(E) APPROVAL.—

7 “(i) IN GENERAL.—The Board may  
8 approve up to 50 percent of the projected  
9 total research and development costs to be  
10 paid in advance to an applicant, in accord-  
11 ance with the procedures developed by the  
12 Board for the making of the payments, if,  
13 after consideration of the reviewer reports  
14 described in subparagraph (D) and such  
15 other information as the Board determines  
16 appropriate, the Board determines that—

17 “(I) the concept, in good faith,  
18 will likely result in a viable and mar-  
19 ketable policy consistent with section  
20 508(h);

21 “(II) at the sole discretion of the  
22 Board, the concept, if developed into a  
23 policy and approved by the Board,  
24 would provide crop insurance cov-  
25 erage—

1           “(aa) in a significantly im-  
2           proved form or that addresses a  
3           unique need of agricultural pro-  
4           ducers;

5           “(bb) to a crop or region not  
6           traditionally served by the Fed-  
7           eral crop insurance program; or

8           “(cc) in a form that ad-  
9           dresses a recognized flaw or  
10          problem in the program;

11          “(III) the applicant agrees to  
12          provide such reports as the Corpora-  
13          tion determines are necessary to mon-  
14          itor the development effort;

15          “(IV) the proposed budget and  
16          timetable are reasonable, as deter-  
17          mined by the Board; and

18          “(V) the concept proposal meets  
19          any other requirements that the  
20          Board determines appropriate.

21          “(ii) WAIVER.—The Board may waive  
22          the 50-percent limitation and, upon re-  
23          quest of the submitter after the submitter  
24          has begun research and development activi-  
25          ties, the Board may approve an additional

1           25 percent advance payment to the sub-  
 2           mitter for research and development costs,  
 3           if, at the sole discretion of the Board, the  
 4           Board determines that—

5                   “(I) the intended policy or plan  
 6                   of insurance developed by the sub-  
 7                   mitter will provide coverage for a re-  
 8                   gion or crop that is underserved by  
 9                   the Federal crop insurance program,  
 10                  including specialty crops; and

11                   “(II) the submitter is making  
 12                   satisfactory progress towards devel-  
 13                   oping a viable and marketable policy  
 14                   or plan of insurance consistent with  
 15                  section 508(h).”.

16 **SEC. 604. CROP INSURANCE FOR ORGANIC CROPS.**

17           (a) IN GENERAL.—Section 508(c)(6) of the Federal  
 18           Crop Insurance Act (7 U.S.C. 1508(c)(6)) is amended by  
 19           adding at the end the following new subparagraph:

20                   “(D) ORGANIC CROPS.—

21                   “(i) IN GENERAL.—As soon as pos-  
 22                   sible, but not later than the 2015 reinsur-  
 23                   ance year, the Corporation shall offer pro-  
 24                   ducers of organic crops price elections for  
 25                  all organic crops produced in compliance

1 with standards issued by the Department  
2 of Agriculture under the national organic  
3 program established under the Organic  
4 Foods Production Act of 1990 (7 U.S.C.  
5 6501 et seq.) that reflect the actual retail  
6 or wholesale prices, as appropriate, re-  
7 ceived by producers for organic crops, as  
8 determined by the Secretary using all rel-  
9 evant sources of information.

10 “(ii) ANNUAL REPORT.—The Corpora-  
11 tion shall submit to the Committee on Ag-  
12 riculture of the House of Representatives  
13 and the Committee on Agriculture, Nutri-  
14 tion, and Forestry of the Senate an annual  
15 report on progress made in developing and  
16 improving Federal crop insurance for or-  
17 ganic crops, including—

18 “(I) the numbers and varieties of  
19 organic crops insured;

20 “(II) the progress of imple-  
21 menting the price elections required  
22 under this subparagraph, including  
23 the rate at which additional price elec-  
24 tions are adopted for organic crops;

1                   “(III) the development of new in-  
 2                   surance approaches relevant to or-  
 3                   ganic producers; and

4                   “(IV) any recommendations the  
 5                   Corporation considers appropriate to  
 6                   improve Federal crop insurance cov-  
 7                   erage for organic crops.”.

8           (b) REMOVAL FROM LIST OF RESEARCH AND DE-  
 9   VELOPMENT ACTIVITIES.—Section 522(c) of the Federal  
 10   Crop Insurance Act (7 U.S.C. 1522(c)) is amended by  
 11   striking paragraph (10).

12   **SEC. 605. NATIONWIDE EXPANSION OF AGRICULTURAL**  
 13                   **MANAGEMENT ASSISTANCE PROGRAM AND**  
 14                   **INCLUSION OF ORGANIC CERTIFICATION**  
 15                   **COST SHARE ASSISTANCE.**

16           Subsection (b) of section 524 of the Federal Crop In-  
 17   surance Act (7 U.S.C. 1524) is amended to read as fol-  
 18   lows:

19           “(b) AGRICULTURAL MANAGEMENT ASSISTANCE,  
 20   RISK MANAGEMENT EDUCATION, AND ORGANIC CERTIFI-  
 21   CATION COST SHARE ASSISTANCE.—

22                   “(1) AUTHORITY FOR PROVISION OF ASSIST-  
 23   ANCE.—The Secretary shall provide assistance under  
 24   this section as follows:

1           “(A) Provision of organic certification cost  
2           share assistance pursuant to section 10606 of  
3           the Farm Security and Rural Investment Act of  
4           2002 (7 U.S.C. 6523).

5           “(B) Activities to support risk manage-  
6           ment education and community outreach part-  
7           nerships pursuant to section 522(d), includ-  
8           ing—

9                   “(i) entering into futures or hedging;

10                   “(ii) entering into agricultural trade  
11           options as a hedging transaction to reduce  
12           production, price, or revenue risk; or

13                   “(iii) conducting any other activity re-  
14           lating to an activity described in clause (i)  
15           or (ii), including farm financial  
16           benchmarking, as determined by the Sec-  
17           retary.

18           “(C) Provision of agricultural management  
19           assistance grants to producers in States in  
20           which there has been traditionally, and con-  
21           tinues to be, a low level of Federal crop insur-  
22           ance participation and availability, and pro-  
23           ducers underserved by the Federal crop insur-  
24           ance program, as determined by the Secretary,  
25           for the purposes of—

1 “(i) constructing or improving—  
 2 “(I) watershed management  
 3 structures; or  
 4 “(II) irrigation structures;  
 5 “(ii) planting trees to form  
 6 windbreaks or to improve water quality;  
 7 and  
 8 “(iii) mitigating financial risk through  
 9 production or marketing diversification or  
 10 resource conservation practices, includ-  
 11 ing—  
 12 “(I) soil erosion control;  
 13 “(II) integrated pest manage-  
 14 ment;  
 15 “(III) organic farming; or  
 16 “(IV) to develop and implement a  
 17 plan to create marketing opportunities  
 18 for the producer, including through  
 19 value-added processing.

20 “(2) PAYMENT LIMITATION.—The total amount  
 21 of payments made to a person (as defined in section  
 22 1001(5) of the Food Security Act (7 U.S.C.  
 23 1308(5))) (as in existence before the amendment  
 24 made by section 1603(b) of the Food, Conservation,  
 25 and Energy Act of 2008 (Public Law 110–246; 122

1 Stat. 1730)) under paragraph (1) for any year may  
2 not exceed \$50,000.

3 “(3) FUNDING.—

4 “(A) IN GENERAL.—The Secretary shall  
5 carry out this subsection through the Com-  
6 modity Credit Corporation.

7 “(B) FUNDING.—The Commodity Credit  
8 Corporation shall make available to carry out  
9 this subsection—

10 “(i) \$15,000,000 for fiscal year 2013;

11 and

12 “(ii) \$23,000,000 for each of fiscal  
13 years 2014 through 2018.

14 “(C) DISTRIBUTION OF FUNDS.—Of the  
15 amount made available to carry out this sub-  
16 section for a fiscal year, the Commodity Credit  
17 Corporation shall use not less than—

18 “(i) 50 percent to carry out para-  
19 graph (1)(A);

20 “(ii) 26 percent to carry out para-  
21 graph (1)(B); and

22 “(iii) 24 percent to carry out para-  
23 graph (1)(C).”.

1       **TITLE VII—MISCELLANEOUS**

2       **SEC. 701. TECHNICAL ASSISTANCE.**

3           (a) MEAT PRODUCTS.—

4               (1) IN GENERAL.—Title V of the Federal Meat  
5       Inspection Act (21 U.S.C. 683 et seq.) is amended  
6       by adding at the end the following new sections:

7       **“SEC. 502. TECHNICAL ASSISTANCE.**

8           “(a) ESTABLISHMENT.—The Secretary shall estab-  
9       lish in the Food Safety and Inspection Service of the De-  
10      partment of Agriculture a technical assistance division to  
11      coordinate the initiatives of any other appropriate agency  
12      of the Department of Agriculture to provide, with respect  
13      to compliance with this Act—

14               “(1) outreach, education, and training to very  
15      small or certain small establishments; and

16               “(2) grants to appropriate State agencies, edu-  
17      cational institutions, or non-governmental organiza-  
18      tions, or networks or partnerships of such agencies,  
19      such institutions, or such organizations, to provide  
20      outreach, technical assistance, education, and train-  
21      ing to very small or certain small establishments.

22           “(b) PERSONNEL.—The technical assistance division  
23      shall be comprised of individuals that, as determined by  
24      the Secretary—

1           “(1) are of a quantity sufficient to carry out  
2           the duties of the technical assistance division; and

3           “(2) possess appropriate qualifications and ex-  
4           pertise relating to the duties of the technical assist-  
5           ance division.

6           “(c) CERTAIN SMALL ESTABLISHMENT DEFINED.—  
7           In this section, the term ‘certain small establishment’  
8           means an establishment that meets the requirements for  
9           establishments described in section 332.3 of title 9, Code  
10          of Federal Regulations (issued pursuant to section 501),  
11          as in effect on the date of the enactment of the Local  
12          Farms, Food, and Jobs Act of 2013.’”.

13           (2) TRANSFER OF DIVISION.—Not later than  
14          30 days after the date of the enactment of this Act,  
15          the Secretary shall transfer the functions, personnel,  
16          and assets of the technical division established under  
17          section 501(f) of the Federal Meat Inspection Act  
18          (21 U.S.C. 683 et seq.) (as in effect on the day be-  
19          fore the date of the enactment of this Act) to the  
20          technical division required to be established under  
21          section 502 of the Federal Meat Inspection Act, as  
22          added by paragraph (1).

23           (3) CONFORMING AMENDMENTS.—Section 501  
24          of the Federal Meat Inspection Act (21 U.S.C. 683  
25          et seq.) is amended—

1 (A) in subsection (b)(3)(B)(ii), by striking  
 2 “subsection (j)” and inserting “subsection (i)”;

3 (B) in subsection (e)(i), by striking “sub-  
 4 section (j)” and inserting “subsection (i)”;

5 (C) by striking subsection (f); and

6 (D) by redesignating subsections (g)  
 7 through (j) as subsections (f) through (i), re-  
 8 spectively.

9 (b) POULTRY PRODUCTS.—The Poultry Products In-  
 10 spection Act (21 U.S.C. 451 et seq.) is amended by adding  
 11 at the end the following new section:

12 **“SEC. 32. TECHNICAL ASSISTANCE.**

13 “(a) IN GENERAL.—The technical assistance division  
 14 of the Food Safety and Inspection Service established  
 15 under section 502 of the Federal Meat Inspection Act  
 16 shall coordinate the initiatives of any other appropriate  
 17 agency of the Department of Agriculture to provide, with  
 18 respect to compliance with this Act—

19 “(1) outreach, education, and training to very  
 20 small or certain small establishments; and

21 “(2) grants to appropriate State agencies, edu-  
 22 cational institutions, or non-governmental organiza-  
 23 tions, or networks or partnerships of such agencies,  
 24 such institutions, or such organizations, to provide

1 outreach, technical assistance, education, and train-  
2 ing to very small or certain small establishments.

3 “(b) CERTAIN SMALL ESTABLISHMENT DEFINED.—

4 In this section, the term ‘certain small establishment’  
5 means an establishment that meets the requirements for  
6 establishments described in section 381.513 of title 9,  
7 Code of Federal Regulations (issued pursuant to section  
8 31), as in effect on the date of the enactment of the Local  
9 Farms, Food, and Jobs Act of 2013.”.

10 **SEC. 702. GUIDANCE.**

11 (a) MEAT PRODUCTS.—Title V of the Federal Meat  
12 Inspection Act (21 U.S.C. 683 et seq.), as amended by  
13 section 701, is further amended by adding at the end the  
14 following new section:

15 **“SEC. 503. GUIDANCE.**

16 “(a) ISSUANCE.—The Secretary, acting through the  
17 Food Safety and Inspection Service, shall issue guidance  
18 to very small or certain small establishments (as defined  
19 in section 502(c)) on how to comply with the requirements  
20 of this Act.

21 “(b) CONTENTS.—The guidance issued under sub-  
22 section (a) shall be appropriate for—

23 “(1) slaughter and processing facilities that are  
24 subject to Federal or State inspection under this  
25 Act, or provide custom slaughter or processing; and

1           “(2) mobile slaughter and processing facili-  
2           ties.”.

3           (b) POULTRY PRODUCTS.—The Poultry Products In-  
4           spection Act (21 U.S.C. 451 et seq.), as amended by sec-  
5           tion 701, is further amended by adding at the end the  
6           following new section:

7           **“SEC. 33. GUIDANCE.**

8           “(a) ISSUANCE.—The Secretary, acting through the  
9           Food Safety and Inspection Service, shall issue guidance  
10          to very small or certain small establishments (as defined  
11          in section 32(b)) on how to comply with the requirements  
12          of this Act.

13          “(b) CONTENTS.—The guidance issued under sub-  
14          section (a) shall be appropriate for—

15                 “(1) slaughter and processing facilities that are  
16                 subject to Federal or State inspection under this  
17                 Act, or provide custom slaughter or processing;

18                 “(2) on-farm slaughter and processing of poul-  
19                 try that is exempt under section 15(c)(1); and

20                 “(3) mobile slaughter and processing facili-  
21                 ties.”.

22          (c) INITIAL GUIDANCE.—Not later than two years  
23          after the date of the enactment of this Act, the Secretary  
24          shall issue guidance under section 503(a) of the Federal  
25          Meat Inspection Act, as added by subsection (a), and sec-

tion 33 of the Poultry Products Inspection Act, as added by subsection (b).

**SEC. 703. LABELS AND PUBLIC INFORMATION ON LABEL CONTENT.**

(a) MEAT PRODUCTS.—Title I of the Federal Meat Inspection Act (21 U.S.C. 601 et seq.) is amended by adding at the end the following new section:

**“SEC. 26. LABELS AND PUBLIC INFORMATION ON LABEL CONTENT.**

“The Secretary shall establish a guidebook and website to provide improved public access to user-friendly information on meat product label content and format and the approval process for meat product labels.”.

(b) POULTRY PRODUCTS.—The Poultry Products Inspection Act (21 U.S.C. 451 et seq.), as amended by section 702 of this Act, is further amended by adding at the end the following new section:

**“SEC. 34. LABELS AND PUBLIC INFORMATION ON LABEL CONTENT.**

“The Secretary shall establish a guidebook and website to provide improved public access to user-friendly information on poultry product label content and format and the approval process for poultry product labels.”.

(c) APPLICABILITY DATE.—Not later than one year after the date of the enactment of this Act, the Secretary

1 shall establish the guidebook and website required under  
2 section 26 of the Federal Meat Inspection Act, as added  
3 by subsection (a), and section 34 of the Poultry Products  
4 Inspection Act, as added by subsection (b).

5 **SEC. 704. MEAT AND POULTRY PROCESSING REPORT.**

6 (a) REPORT.—Not later than two years after the date  
7 of the enactment of this Act, the Secretary of Agriculture  
8 shall submit to Congress a report on steps that can be  
9 taken to assist very small or certain small establishments  
10 to ensure that such establishments produce meat and  
11 poultry products that meet the requirements under the  
12 Federal Meat Inspection Act (21 U.S.C. 601 et seq.) and  
13 the Poultry Products Inspection Act (21 U.S.C. 451 et  
14 seq.).

15 (b) STAKEHOLDER GROUP.—

16 (1) IN GENERAL.—Not later than 120 days  
17 after the date of the enactment of this Act, the Sec-  
18 retary shall convene a group of stakeholders to ad-  
19 vise the Secretary on—

20 (A) proposed guidance on facilities require-  
21 ments, process controls and pathogen preven-  
22 tion in very small or certain small establish-  
23 ments;

1 (B) improving the user-friendliness of in-  
2 formation contained in meat and poultry labels;  
3 and

4 (C) the report required under paragraph  
5 (a).

6 (2) MEMBERSHIP.—The stakeholders group  
7 convened under paragraph (1) shall include persons  
8 with expertise on problems that very small or certain  
9 small establishments that are processing facilities,  
10 including mobile processing facilities, may have in  
11 meeting the requirements of the Federal Meat In-  
12 spection Act and the Poultry Products Inspection  
13 Act, including—

14 (A) small scale livestock and poultry grow-  
15 ers;

16 (B) operators of small scale slaughtering  
17 and processing facilities;

18 (C) representatives of farming organiza-  
19 tions whose membership includes small scale  
20 livestock and poultry producers;

21 (D) representatives of established con-  
22 sumer organizations;

23 (E) Federal and industry employees, in-  
24 cluding a representative of employees of the  
25 Food Safety and Inspection Service that are

1 represented by a labor organization (as defined  
2 in section 7103(a)(4) of title 5, United States  
3 Code) and a representative of employees of the  
4 industries regulated by the Food Safety and In-  
5 spection Service that are represented by a labor  
6 organization (as defined in section 2(5) of the  
7 National Labor Relations Act (29 U.S.C.  
8 152(5))); and

9 (F) representatives from appropriate Fed-  
10 eral and State agencies, educational institu-  
11 tions, other non-governmental organizations, or  
12 networks or partnerships of such agencies, such  
13 institutions, and such organizations.

14 (3) TERMINATION.—The Secretary shall termi-  
15 nate the stakeholder group upon completion of the  
16 guidance and the report referred to in paragraph  
17 (1).

18 (c) CERTAIN SMALL ESTABLISHMENT DEFINED.—In  
19 this section, the term “certain small establishment”  
20 means—

21 (1) with respect to an establishment that is  
22 subject to the requirements of the Federal Meat In-  
23 spection Act (21 U.S.C. 601 et seq.), a certain small  
24 establishment as defined in section 502(c) of such  
25 Act; or

1           (2) with respect to an establishment that is  
2       subject to the requirements of the Poultry Products  
3       Inspection Act (21 U.S.C. 451 et seq.), a certain  
4       small establishment as defined in section 32(b) of  
5       such Act.

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