

113TH CONGRESS  
1ST SESSION

# S. 923

To modernize the conservation title of the Food Security Act of 1985, protect long-term taxpayer investment, increase small and midsize farmer’s access to programs, and prioritize modern-day conservation needs through management practices, local engagement, and stewardship.

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## IN THE SENATE OF THE UNITED STATES

MAY 9, 2013

Mr. UDALL of New Mexico introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

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## A BILL

To modernize the conservation title of the Food Security Act of 1985, protect long-term taxpayer investment, increase small and midsize farmer’s access to programs, and prioritize modern-day conservation needs through management practices, local engagement, and stewardship.

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

3       **SECTION 101. SHORT TITLE; TABLE OF CONTENTS.**

4       (a) SHORT TITLE.—This Act may be cited as the  
5       “Balancing Food, Farm, and the Environment Act of  
6       2013”.

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

Sec. 101. Short title; table of contents.

#### TITLE I—CONSERVATION

##### Subtitle A—Definitions

Sec. 1001. Definitions.

##### Subtitle B—Highly Erodible Land Conservation

Sec. 1101. Program ineligibility.

Sec. 1102. Exemptions.

Sec. 1103. Development and implementation of highly erodible land conservation plans and highly erodible land conservation systems.

Sec. 1104. Notice and investigation of possible compliance deficiencies.

Sec. 1105. Enforcement; funding for technical assistance.

##### Subtitle C—Wetland Conservation

Sec. 1201. Program ineligibility.

Sec. 1202. Delineation of wetlands; exemptions.

##### Subtitle D—Conservation Reserve

Sec. 1301. Conservation reserve.

Sec. 1302. Contracts.

Sec. 1303. Conservation reserve easement program.

##### Subtitle E—Conservation Stewardship Program

Sec. 1401. Definitions.

Sec. 1402. Conservation Stewardship Program.

Sec. 1403. Stewardship contracts.

Sec. 1404. Duties of the Secretary.

##### Subtitle F—Environmental Quality Incentives Program

Sec. 1501. Purposes.

Sec. 1502. Definitions.

Sec. 1503. Establishment and administration.

Sec. 1504. Evaluation of Applications.

Sec. 1505. Environmental quality incentives program plan.

Sec. 1506. Duties of the Secretary.

Sec. 1507. Limitation on payments.

##### Subtitle G—Conservation Innovation Grant Program

Sec. 1601. Conservation innovation grant program.

##### Subtitle H—Funding and Administration

Sec. 1701. Commodity Credit Corporation.

Sec. 1702. Conservation loan and loan guarantee program.

##### Subtitle I—Agricultural Conservation Easement Program

Sec. 1801. Agricultural conservation easement program.

Subtitle J—Regional Conservation Partnership Program

Sec. 1901. Regional conservation partnership program.

TITLE II—CROP INSURANCE AND DISASTER ASSISTANCE

Sec. 2001. Ineligibility for Federal crop insurance, noninsured crop disaster assistance, and certain payments because of crop production on native sod.

TITLE III—REPEALS AND TRANSITIONAL PROVISIONS;  
TECHNICAL AND CONFORMING AMENDMENTS; EFFECTIVE DATE

Sec. 3001. Repeals and transitional provisions.

Sec. 3002. Technical and conforming amendments.

Sec. 3003. Effective date.

# **TITLE I—CONSERVATION**

## **Subtitle A—Definitions**

### **SEC. 1001. DEFINITIONS.**

(a) CONSERVATION SYSTEM.—Section 1201(a)(4) of the Food Security Act of 1985 (16 U.S.C. 3801(a)(4)) is amended to read as follows:

“(4) CONSERVATION SYSTEM.—The term ‘conservation system’ means a combination of conservation measures or practices that are based on local natural resource and environmental conditions and are designed to cost-effectively address one or more priority resource concerns.”.

(b) HIGHLY ERODIBLE LAND.—Section 1201(a)(11)(A)(ii) of the Food Security Act of 1985 (16 U.S.C. 3801(a)(11)(A)(ii)) is amended—

(1) by striking “excessive” before “average annual rate”;

1           (2) by striking “in relation to” and inserting  
2           “exceeding”; and

3           (3) by inserting “revised” before “universal soil  
4           loss”.

5           (c) COMPREHENSIVE CONSERVATION PLAN; CON-  
6           SERVATION OUTCOME; HIGHLY ERODIBLE LAND CON-  
7           SERVATION PLAN; HIGHLY ERODIBLE LAND CONSERVA-  
8           TION SYSTEM; NUTRIENT-IMPACTED WATERSHED; PRI-  
9           ORITY RESOURCE CONCERN.—Section 1201(a) of the  
10          Food Security Act of 1985 (16 U.S.C. 3801(a)) is amend-  
11          ed by adding at the end the following new paragraphs:

12           “(28)       COMPREHENSIVE       CONSERVATION  
13          PLAN.—The term ‘comprehensive conservation plan’  
14          means a document that, subject to the unique pur-  
15          poses of each conservation program—

16                   “(A) identifies priority resource concerns  
17                   that can be effectively addressed through con-  
18                   servations activities, practices, systems, and  
19                   management measures on an agricultural oper-  
20                   ation;

21                   “(B) inventories natural resource and envi-  
22                   ronmental conditions related to priority re-  
23                   source concerns and establishes benchmark data  
24                   and conservation objectives;

1           “(C) determines the most cost-effective  
 2           conservation activities, practices, systems, and  
 3           management measures to be implemented, im-  
 4           proved or maintained to address the designated  
 5           priority resource concerns;

6           “(D) provides a schedule for planning, im-  
 7           plementing, improving, or maintaining the iden-  
 8           tified conservation activities, practices, systems,  
 9           and management measures; and

10           “(E) contains a description and schedule  
 11           for on-farm activities to evaluate the extent to  
 12           which the planned conservation activities, prac-  
 13           tices, systems, and management measures are  
 14           effectively improving the condition of priority  
 15           resource concerns.

16           “(29) CONSERVATION OUTCOME.—The term  
 17           ‘conservation outcome’ means a natural resource or  
 18           environmental change that is that is correlated with  
 19           conservation activities.

20           “(30) HIGHLY ERODIBLE LAND CONSERVATION  
 21           PLAN.—The term ‘highly erodible land conservation  
 22           plan’ means the document that—

23           “(A) applies to highly erodible land;

24           “(B) describes the highly erodible land  
 25           conservation system applicable to the highly

erodible land and describes the decisions of the person with respect to location, land use, tillage systems, and conservation treatment measures and schedule; and

“(C) is approved by the local soil conservation district, in consultation with the local committees established under section 8(b)(5) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)(5)) and the Secretary, or by the Secretary.

“(31) HIGHLY ERODIBLE LAND CONSERVATION SYSTEM.—The term ‘highly erodible land conservation system’ means a combination of 1 or more conservation measures or management practices that—

“(A) are based on local resource conditions, available conservation technology, and the standards and guidelines contained in the Natural Resources Conservation Service field office technical guides;

“(B) are designed to achieve, in a cost effective and technically practicable manner, a substantial reduction in soil erosion or a substantial improvement in soil conditions on a field or group of fields containing highly erodible land when compared to the level of erosion

1 or soil conditions that existed before the appli-  
 2 cation of the conservation measures and man-  
 3 agement practices;

4 “(C) at a minimum are designed to  
 5 achieve, within five years of actively applying a  
 6 highly erodible land conservation plan, a level of  
 7 erosion not to exceed twice the soil loss toler-  
 8 ance level; and

9 “(D) effectively treat all ephemeral gullies.

10 “(32) NUTRIENT-IMPACTED WATERSHED.—The  
 11 term ‘nutrient-impacted watershed’ means a water-  
 12 shed, including its surface and ground waters, any  
 13 portion of which the Secretary, in consultation with  
 14 officials from State water quality agencies, the Envi-  
 15 ronmental Protection Agency, and the United States  
 16 Geological Survey, determines to be degraded, or  
 17 contributing to the degradation of downstream  
 18 waters, due to the presence of excess agricultural  
 19 nutrients.

20 “(33) PRIORITY RESOURCE CONCERN.—The  
 21 term ‘priority resource concern’ means a specific im-  
 22 pairment to soil, soil quality, water quality, water  
 23 quantity, energy, air quality, biodiversity, or fish,  
 24 wildlife, or pollinator habitat, that, as determined by  
 25 the Secretary—

1 “(A) represents a significant environ-  
 2 mental, human health, or sustainable agricul-  
 3 tural production concern in a State, region, or  
 4 watershed;

5 “(B) is likely to be addressed successfully  
 6 through implementation of conservation sys-  
 7 tems, practices, or activities by producers on  
 8 land eligible for enrollment in one or more pro-  
 9 grams under this title; and

10 “(C) if successfully addressed will substan-  
 11 tially contribute to the achievement of the pur-  
 12 poses of the relevant program or programs  
 13 under this title.”.

## 14 **Subtitle B—Highly Erodible Land** 15 **Conservation**

### 16 **SEC. 1101. PROGRAM INELIGIBILITY.**

17 Section 1211(a)(1) of the Food Security Act of 1985  
 18 (16 U.S.C. 3811(a)(1)) is amended—

19 (1) in subparagraph (A)—

20 (A) by inserting “or revenue” after  
 21 “price”; and

22 (B) by inserting “the Food, Conservation,  
 23 and Energy Act of 2008 (7 U.S.C. 8701 et  
 24 seq.),” before “or any other Act”;



1           (2) in subparagraph (C), by striking “; or” and  
 2       inserting a semicolon;

3           (3) in subparagraph (D)—

4                 (A) by striking “Consolidated” before  
 5       “Farm Service Agency”; and

6                 (B) by striking the semicolon and inserting  
 7       “; or”; and

8           (4) by inserting after subparagraph (D) the fol-  
 9       lowing new subparagraph:

10                 “(E) any portion of the premium paid by  
 11       the Federal Crop Insurance Corporation for a  
 12       policy or plan of insurance under the Federal  
 13       Crop Insurance Act (7 U.S.C. 1501 et seq.).”.

14   **SEC. 1102. EXEMPTIONS.**

15       Section 1212(a) of the Food Security Act of 1985  
 16   (16 U.S.C. 3812(a)) is amended—

17           (1) by inserting “highly erodible land” before  
 18       “conservation plan” each place it appears;

19           (2) in subsection (a)—

20                 (A) in paragraph (1)—

21                         (i) by striking “Soil Conservation  
 22       Service” and inserting “Natural Resources  
 23       Conservation Service”; and

1 (ii) by inserting “, or premium sub-  
 2 sidies,” after “loans, payments, and bene-  
 3 fits”;

4 (B) by amending paragraph (2) to read as  
 5 follows:

6 “(2) ELIGIBILITY BASED ON COMPLIANCE WITH  
 7 HIGHLY ERODIBLE LAND CONSERVATION PLAN.—

8 “(A) IN GENERAL.—If, as of January 1,  
 9 1990, or 2 years after the Soil Natural Re-  
 10 sources Conservation Service has completed a  
 11 soil survey for the farm, whichever is later, a  
 12 person is actively applying a highly erodible  
 13 land conservation plan, such person shall have  
 14 until January 1, 1995, to comply with the plan  
 15 without being subject to program ineligibility.

16 “(B) MINIMIZATION OF DOCUMENTA-  
 17 TION.—In carrying out this subsection, the Sec-  
 18 retary, the Natural Resources Conservation  
 19 Service, and local soil conservation districts  
 20 shall minimize the quantity of documentation a  
 21 person must submit to comply with this para-  
 22 graph.

23 “(C) CROP INSURANCE.—If a person first  
 24 becomes subject to section 1211(a) solely due to  
 25 a premium payment described in paragraph

(1)(E) of such section, the person shall have until January 1 of the fifth year beginning after the date on which the person first became subject to such section to develop and comply with an approved highly erodible land conservation plan for the land on which the person produces an agricultural commodity covered by a policy or plan of insurance supported by such premium payment.”; and

(C) in paragraph (3)—

(i) by striking “only” after “subtitle D shall”; and

(ii) by striking “. The person shall not be required to meet a higher conservation standard than” and inserting “consistent with”;

(3) in subsection (b), by inserting “, or premium subsidies,” after “and benefits”;

(4) in subsection (c)—

(A) in the matter preceding paragraph (1), by inserting “, or premium subsidies,” after “and benefits”;

(B) in paragraph (1), by inserting “highly erodible land” before “conservation system” each place it appears; and

1 (C) in paragraphs (1), (2), and (3), by  
 2 striking “Soil Conservation Service” each place  
 3 it appears and inserting “Natural Resources  
 4 Conservation Service”;  
 5 (5) in subsection (f)—

6 (A) in paragraph (1), by inserting “, or  
 7 premium subsidies,” after “benefits”; and

8 (B) in paragraph (4)(B), by inserting “and  
 9 premium subsidies” after “benefits”; and

10 (6) in subsection (g) by amending paragraph  
 11 (2) to read as follows:

12 “(2) concerning conservation technical and fi-  
 13 nancial assistance options and conservation loan op-  
 14 tions that may be available to such individual to  
 15 meet the requirements of this section.”.

16 **SEC. 1103. DEVELOPMENT AND IMPLEMENTATION OF**  
 17 **HIGHLY ERODIBLE LAND CONSERVATION**  
 18 **PLANS AND HIGHLY ERODIBLE LAND CON-**  
 19 **SERVATION SYSTEMS.**

20 (a) **HIGHLY ERODIBLE LAND.**—Section 1213 of the  
 21 Food Security Act of 1985 (16 U.S.C. 3812a) is amend-  
 22 ed—

23 (1) in the header, by striking “**CONSERVA-**  
 24 **TION PLANS AND CONSERVATION SYSTEMS**”  
 25 and inserting “**HIGHLY ERODIBLE LAND CON-**

1       **SERVATION PLANS AND HIGHLY ERODIBLE**  
 2       **LAND CONSERVATION SYSTEMS”;**

3           (2) by inserting “highly erodible land” before  
 4       “conservation plan” each place it appears; and

5           (3) by inserting “highly erodible land” before  
 6       “conservation system” each place it appears.

7       (b)       **TECHNICAL       REQUIREMENTS.**—Section  
 8       1213(a)(4) of the Food Security Act of 1985 (16 U.S.C.  
 9       3812a(a)(4)) is amended by inserting “, taking into ac-  
 10      count the assistance described in section 1212(g)(2)”.

11      (c)       **CERTIFICATION      OF      COMPLIANCE.**—Section  
 12      1213(d)(2) of the Food Security Act of 1985 (16 U.S.C.  
 13      3812a(d)(2)) is amended by striking “If a person” and  
 14      inserting “Except as necessary to carry out section 1216,  
 15      if a person”.

16      **SEC. 1104. NOTICE AND INVESTIGATION OF POSSIBLE COM-**  
 17                           **PLIANCE DEFICIENCIES.**

18           Section 1215 of the Food Security Act of 1985 (16  
 19      U.S.C. 3814) is amended—

20           (1) by inserting “highly erodible land” before  
 21       “conservation plan” each place it appears;

22           (2) in subsection (a), by inserting “carrying out  
 23       an inspection under section 1216 or” before “pro-  
 24       viding on-site technical assistance”; and

1           (3) in subsection (c), by striking “may” and in-  
2       serting “shall”.

3       **SEC. 1105. ENFORCEMENT; FUNDING FOR TECHNICAL AS-**  
4                               **SISTANCE.**

5       Subtitle B of title XII of the Food Security Act of  
6       1985 (16 U.S.C. 3811 et seq.) is amended by adding at  
7       the end the following new sections:

8       **“SEC. 1216. ENFORCEMENT OF COMPLIANCE WITH HIGHLY**  
9                               **ERODIBLE LAND CONSERVATION PLANS.**

10       “(a) IN GENERAL.—The Secretary shall, to the ex-  
11       tent possible, inspect annually at least five percent of the  
12       lands subject to compliance with highly erodible land con-  
13       servation plans and for which the owner or operator is  
14       receiving a benefit described in section 1211(a), specifi-  
15       cally for the purpose of certifying compliance with the  
16       highly erodible land conservation plan and eligibility for  
17       such benefits.

18       “(b) ANNUAL REPORT TO CONGRESS.—Not later  
19       than March 1 of each year following the year of enactment  
20       of this provision, the Secretary shall submit to Congress  
21       a report detailing the number of acres inspected for com-  
22       pliance with highly erodible land conservation plans, the  
23       number and type of infractions found, and the corrective  
24       or enforcement actions, including reviews conducted under  
25       section 1215(c) and graduated penalties imposed under

1 section 1212(f), associated with each, including the agen-  
 2 cy’s justifications for each action. The report may include  
 3 other pertinent information regarding compliance and en-  
 4 forcement, as determined by the Secretary.

5 **“SEC. 1217. FUNDING FOR TECHNICAL ASSISTANCE.**

6 “The Secretary shall make available a portion of the  
 7 administrative and technical assistance funding provided  
 8 to administer the benefits described in section 1211(a) to  
 9 be used for technical assistance, monitoring, and enforce-  
 10 ment associated with highly erodible land conservation.  
 11 Funds shall be drawn from each program in proportion  
 12 to the relative funding of each individual program.”.

13 **Subtitle C—Wetland Conservation**

14 **SEC. 1201. PROGRAM INELIGIBILITY.**

15 (a) PRODUCTION ON COVERED WETLAND.—Section  
 16 1221(a) of the Food Security Act of 1985 (16 U.S.C.  
 17 3821(a)) is amended—

18 (1) in the matter preceding paragraph (1), by  
 19 inserting “after the effective date of the Balancing  
 20 Food, Farm, and the Environment Act of 2013,” be-  
 21 fore “any person who”; and

22 (2) in paragraph (2), by striking “an amount  
 23 determined by the Secretary to be proportionate to  
 24 the severity of the violation” and inserting “accord-  
 25 ance with subsection (b)”.

1       (b) INELIGIBILITY FOR CERTAIN LOANS AND PAY-  
 2 MENTS.—Section 1221(b) of the Food Security Act of  
 3 1985 (16 U.S.C. 3821(b)) is amended—

4           (1) in the matter preceding paragraph (1), by  
 5 striking “the Secretary shall determine which of,  
 6 and the amount of, the following loans and pay-  
 7 ments for which the person shall be ineligible” and  
 8 inserting “the person shall be ineligible for the fol-  
 9 lowing loans and payments”; and

10          (2) by striking paragraphs (1) and (2) and in-  
 11 serting the following:

12           “(1) As to any commodity produced during the  
 13 crop year by such person—

14           “(A) contract payments under a produc-  
 15 tion flexibility contract, marketing assistance  
 16 loans, and any type of price or revenue support  
 17 or payment made available under the Agricul-  
 18 tural Market Transition Act (7 U.S.C. 7201 et  
 19 seq.), the Commodity Credit Corporation Char-  
 20 ter Act (15 U.S.C. 714 et seq.), the Food, Con-  
 21 servation, and Energy Act of 2008 (7 U.S.C.  
 22 8701 et seq.), or any other Act;

23           “(B) a farm storage facility loan made  
 24 under section 4(h) of the Commodity Credit  
 25 Corporation Charter Act (15 U.S.C. 714b(h));



“(C) a loan made, insured, or guaranteed under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) or any other provision of law administered by the Consolidated Farm Service Agency, if the Secretary determines that the proceeds of such loan will be used for a purpose that will contribute to excessive erosion of highly erodible land; or

“(D) any portion of the premium paid by the Federal Crop Insurance Corporation for a policy or plan of insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

“(2) A payment made under section 4 or 5 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b or 714c) during such crop year for the storage of an agricultural commodity acquired by the Commodity Credit Corporation.”.

**SEC. 1202. DELINEATION OF WETLANDS; EXEMPTIONS.**

(a) EXEMPTIONS.—Section 1222(b) of the Food Security Act of 1985 (16 U.S.C. 3822(b)) is amended—

(1) in the matter preceding paragraph (1), by inserting “, or premium subsidies,” after “or payments”; and

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

1           “(3) In the case of payments that are subject  
2           to section 1221 for the first time due to the amend-  
3           ments made by section 1201(b) of the Balancing  
4           Food, Farm, and the Environment Act of 2013, a  
5           wetland that was converted after April 4, 1996 and  
6           before October 1, 2013, on land that is the basis of  
7           the payments, provided the person in control of the  
8           land is and has been otherwise in compliance with  
9           section 1221.”.

10          (b) ON-SITE INSPECTION REQUIREMENT.—Section  
11   1222(c) of the Food Security Act of 1985 (16 U.S.C.  
12   3822(c)) is amended by striking “, or benefits” and insert-  
13   ing “, benefits, or premium subsidies”.

14          (c) GOOD FAITH EXEMPTION.—Section 1222(h)(1)  
15   of the Food Security Act of 1985 (16 U.S.C. 3822(h))  
16   is amended to read as follows:

17           “(1) GRADUATED PENALTIES.—If a person is  
18           in violation of section 1221 but has acted in good  
19           faith and without an intent to violate such section,  
20           as determined by the Secretary, the Secretary may,  
21           in lieu of applying the ineligibility provisions of sec-  
22           tion 1221(b), reduce program benefits and premium  
23           subsidies described in such section that the producer  
24           would otherwise be eligible to receive in a crop year

1 by an amount commensurate with the seriousness of  
 2 the violation, as determined by the Secretary.”.

3 (d) ELIGIBILITY FOR CROP INSURANCE.—Section  
 4 1222 of the Food Security Act of 1985 (16 U.S.C. 3822)  
 5 is amended by adding at the end the following new sub-  
 6 section:

7 “(l) ELIGIBILITY FOR CROP INSURANCE.—In the  
 8 case of payments that are subject to section 1221 for the  
 9 first time due to the amendments made by section 1201(b)  
 10 of the Balancing Food, Farm, and the Environment Act  
 11 of 2013, no person who plants or produces an agricultural  
 12 commodity on a converted wetland on land that is the  
 13 basis of the payments shall be ineligible under section  
 14 1221 for program loans or payments, or premium sub-  
 15 sidies, unless the person fails to mitigate for the loss of  
 16 wetland values, acreage, and function in accordance with  
 17 subparagraphs (A) through (G) of subsection (f)(2) by the  
 18 end of the 24-month period following the date on which  
 19 the payments became subject to section 1221.”.

## 20 **Subtitle D—Conservation Reserve**

### 21 **SEC. 1301. CONSERVATION RESERVE.**

22 (a) IN GENERAL.—Section 1231(a) of the Food Se-  
 23 curity Act of 1985 (16 U.S.C. 3831(a)) is amended—

24 (1) by striking “2012” and inserting “2018”;

25 and

1           (2) by inserting “or easements” after “con-  
2       tracts”.

3       (b) ELIGIBLE LAND.—Section 1231(b) of the Food  
4       Security Act of 1985 (16 U.S.C. 3831(b)) is amended—

5           (1) in paragraph (1)(B), by striking “the Food,  
6       Conservation, and Energy Act of 2008” and insert-  
7       ing “Balancing Food, Farm, and the Environment  
8       Act of 2013”;

9           (2) by striking paragraph (2) and inserting the  
10       following new paragraph:

11           “(3) grassland that—

12               “(A) contains forbs or shrubland (includ-  
13       ing improved rangeland and pastureland) for  
14       which grazing is the predominant use;

15               “(B) is located in an area historically  
16       dominated by grassland; and

17               “(C) could provide habitat for animal or  
18       plant populations of significant ecological value,  
19       or corridors to facilitate wildlife movement and  
20       migration, if the land is retained in its current  
21       use or restored to a natural condition;”; and

22           (3) in paragraph (4)—

23               (A) in subparagraph (C)—

1 (i) by inserting “, wildlife habitat  
 2 buffers, shallow water areas for wildlife”  
 3 after “permanent wildlife habitat”;

4 (ii) by inserting “, wetland buffers, ri-  
 5 parian buffers” after “shelterbelts”; and

6 (iii) by striking “devoted to trees or  
 7 shrubs”;

8 (B) by redesignating subparagraphs (D)  
 9 and (E) as subparagraphs (E) and (F), respec-  
 10 tively; and

11 (C) by inserting after subparagraph (C)  
 12 the following new subparagraph:

13 “(D) the land will be devoted to nutrient-  
 14 trapping conservation practices approved by the  
 15 Secretary used in association with a newly cre-  
 16 ated or existing conservation buffer practice;”.

17 (c) PLANTING STATUS OF CERTAIN LAND; MAXIMUM  
 18 ENROLLMENT.—Subsections (c) and (d) of section 1231  
 19 of the Food Security Act of 1985 (16 U.S.C. 3831) are  
 20 amended to read as follows:

21 “(c) PLANTING STATUS OF CERTAIN LAND.—For  
 22 purposes of determining the eligibility of land to be placed  
 23 in the conservation reserve established under this sub-  
 24 chapter, land shall be considered to be planted to an agri-

1 cultural commodity during a crop year if, during the crop  
2 year, the land was devoted to a conserving use.

3 “(d) MAXIMUM ENROLLMENT.—

4 “(1) IN GENERAL.—The Secretary may main-  
5 tain in the conservation reserve at any 1 time dur-  
6 ing—

7 “(A) fiscal year 2014, no more than  
8 26,000,000 acres;

9 “(B) fiscal year 2015, no more than  
10 25,000,000 acres;

11 “(C) fiscal year 2016, no more than  
12 24,000,000 acres; and

13 “(D) fiscal years 2017 and 2018, no more  
14 than 23,000,000 acres.

15 “(2) RESERVATION.—The Secretary, to the  
16 maximum extent feasible, shall manage the conserva-  
17 tion reserve to ensure that on an annual basis not  
18 less than 600,000 acres are available for new enroll-  
19 ments of eligible land—

20 “(A) described in subparagraphs (B)  
21 through (F) of subsection (b)(4); and

22 “(B) enrolled under the special conserva-  
23 tion reserve enhancement program authority  
24 under section 1234(f)(4).

1           “(3) PRIORITY.—The Secretary shall give pri-  
 2           ority to enrollments under the reservation in para-  
 3           graph (2) to land located in nutrient-impacted wa-  
 4           tersheds for which the enrollment would reduce nu-  
 5           trient loadings, as determined by the Secretary.

6           “(4) CONSIDERATION.—In applying paragraph  
 7           (3), the Secretary shall take into consideration the  
 8           effects that may exist of any drainage infrastructure  
 9           on the potential to reduce nutrient loadings.”.

10 **SEC. 1302. CONTRACTS.**

11           (a) MODIFICATIONS.—Section 1235(c)(1)(B)(iii) of  
 12 the Food Security Act of 1985 (16 U.S.C.  
 13 3835(c)(1)(B)(iii)) is amended to read as follows:

14                   “(iii) to facilitate a transition of land  
 15                   subject to the contract from a retired or  
 16                   retiring owner or operator to a beginning  
 17                   farmer or rancher, socially disadvantaged  
 18                   farmer or rancher, or limited resource  
 19                   farmer or rancher who is or will be actively  
 20                   engaged in farming or ranching with re-  
 21                   spect to the land transferred under this  
 22                   subsection, for the purpose of returning  
 23                   some or all of the land into production  
 24                   using sustainable grazing or crop produc-  
 25                   tion methods that meet or exceed the re-

1 source management system quality criteria  
2 for erosion, soil quality, water quality, and  
3 fish and wildlife; or”.

4 (b) TRANSITION OPTION FOR CERTAIN FARMERS OR  
5 RANCHERS.—Section 1235(f)(1) of the Food Security Act  
6 of 1985 (16 U.S.C. 3835(f)(1)) is amended—

7 (1) in the matter preceding subparagraph (A),  
8 by striking “or socially disadvantaged farmer or  
9 rancher” and inserting “socially disadvantaged  
10 farmer or rancher, or limited resource farmer or  
11 rancher who is or will be actively engaged in farming  
12 or ranching with respect to the land transferred  
13 under this subsection”;

14 (2) in subparagraph (A)—

15 (A) in clause (i), by striking “; and” and  
16 inserting a semicolon;

17 (B) in clause (ii), by striking the semicolon  
18 and inserting “; and”; and

19 (C) by adding at the end the following new  
20 clauses:

21 “(iv) provide to the covered farmer or  
22 rancher an opportunity to enroll in the  
23 conservation stewardship program or the  
24 environmental quality incentives program  
25 at any time beginning on the date that is



1           1 year before the date of termination of  
 2           the contract, including technical and finan-  
 3           cial assistance in the development of a  
 4           comprehensive conservation plan; and

5           “(v) if the land transferred under this  
 6           subsection remains in grass cover, provide  
 7           to the covered farmer or rancher an oppor-  
 8           tunity to enroll in a long-term or perma-  
 9           nent easement under the agricultural con-  
 10          servation easement program;”;

11          (3) in subparagraph (B), by inserting “com-  
 12          prehensive” before “conservation plan”;

13          (4) by striking subparagraph (D) and redesign-  
 14          ating subparagraph (E) as subparagraph (D); and

15          (5) in subparagraph (D) (as so redesignated),  
 16          by striking “, if the retired or retiring owner or op-  
 17          erator is not a family member (as defined in section  
 18          1001A(b)(3)(B) of this Act) of the covered farmer  
 19          or rancher” and inserting “except that, in the case  
 20          of a retired or retiring owner or operator who is a  
 21          family member (as defined in section 1001) of the  
 22          covered farmer or rancher, the additional payments  
 23          shall be made only if title to the land is sold or oth-  
 24          erwise transferred to the covered farmer or rancher  
 25          on termination of the contract”.

1 **SEC. 1303. CONSERVATION RESERVE EASEMENT PROGRAM.**

2 Subchapter B of chapter 1 of subtitle D of title XII  
3 of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.)  
4 is amended by adding at the end the following new section:

5 **“SEC. 1236. CONSERVATION RESERVE EASEMENT PRO-**  
6 **GRAM.**

7 “(a) ESTABLISHMENT.—The Secretary shall formu-  
8 late and carry out a conservation reserve easement pro-  
9 gram (hereafter in this section referred to as the ‘ease-  
10 ment program’) in accordance with this section, through  
11 the acquisition of permanent easements or easements for  
12 the maximum term permitted under applicable State law  
13 from willing owners of eligible farms or ranches in order  
14 to ensure the continued long-term protection of environ-  
15 mentally sensitive lands, reduction in the degradation of  
16 water quality, and enhancement of wildlife habitat on such  
17 farms or ranches through the continued conservation and  
18 improvement of soil and water resources.

19 “(b) ELIGIBILITY; TERMINATION.—

20 “(1) IN GENERAL.—Except as provided in para-  
21 graph (2), the Secretary may acquire easements  
22 under this section on eligible land placed in the con-  
23 servation reserve under this subchapter that—

24 “(A) is determined by the Secretary to be  
25 unsuitable for long-term commodity production;

1           “(B) is an area of critical habitat for wild-  
 2           life, especially threatened or endangered species;  
 3           or

4           “(C) contains other environmentally sen-  
 5           sitive areas, as determined by the Secretary,  
 6           that would prevent a producer from complying  
 7           with other Federal, State, or local environ-  
 8           mental goals if commodities were to be pro-  
 9           duced on such land.

10          “(2) INELIGIBLE LAND.—The Secretary may  
 11          not acquire easements on—

12               “(A) land that contains timber stands es-  
 13               tablished under this subchapter; or

14               “(B) pasture land established to trees  
 15               under this subchapter.

16          “(3) TERMINATION OF EXISTING CONTRACT.—  
 17          The Secretary may terminate or modify any existing  
 18          contract entered into under section 1231(a) if eligi-  
 19          ble land that is subject to such contract is trans-  
 20          ferred into the easement program.

21          “(c) DUTIES OF OWNERS.—

22               “(1) PLAN.—

23                   “(A) IN GENERAL.—In conjunction with  
 24                   the creation of an easement on any lands under  
 25                   this section, the owner of the farm or ranch

wherein such lands are located must agree to implement a natural resource conservation management plan in accordance with subparagraph (B) and approved by the Secretary.

“(B) COMPONENTS.—A natural resource conservation management plan shall—

“(i) set forth the conservation measures and practices to be carried out by the owner of the land subject to the easement;

“(ii) set forth the commercial use, if any, to be permitted on such land during the term of the easement; and

“(iii) provide for the permanent retirement of any existing cropland base and allotment history for such land under any program administered by the Secretary.

“(2) AGREEMENT.—In return for the creation of an easement on any lands under this section, the owner of the farm or ranch wherein such lands are located must agree to the following:

“(A) To the creation and recordation of an appropriate deed restriction, in accordance with applicable State law, to reflect the easement agreed to under this section with respect to such lands.

1           “(B) To provide a written statement of  
2           consent to such easement signed by those hold-  
3           ing a security interest in the land.

4           “(C) To comply with such additional provi-  
5           sions as the Secretary determines are desirable  
6           and are included in the easement to carry out  
7           this section or to facilitate the practical admin-  
8           istration thereof.

9           “(D) To limit the production of any agri-  
10          cultural commodity on such lands only to pro-  
11          duction for the benefit of wildlife.

12          “(E) Not to conduct any harvesting or  
13          grazing, nor otherwise make commercial use of  
14          the forage, on land that is subject to the ease-  
15          ment, unless specifically provided for in the  
16          easement or related agreement.

17          “(F) Not to adopt any other practice that  
18          would tend to defeat the purposes of this chap-  
19          ter, as determined by the Secretary.

20          “(3) VIOLATION.—On the violation of the terms  
21          or conditions of the easement or related agreement  
22          entered into under this section, the easement shall  
23          remain in force and the Secretary may require the  
24          owner to refund all or part of any payments received  
25          by the owner under this section, together with inter-

1 est thereon as determined appropriate by the Sec-  
2 retary.

3 “(d) DUTIES OF THE SECRETARY.—In return for the  
4 granting of an easement by an owner under this section,  
5 the Secretary shall—

6 “(1) share the cost of carrying out the estab-  
7 lishment of conservation measures and practices set  
8 forth in the plan described in section 1232(a)(1) for  
9 which the Secretary determines that cost sharing is  
10 appropriate and in the public interest;

11 “(2) pay for a period not to exceed 10 years an-  
12 nual easement payments in the aggregate not to ex-  
13 ceed the lesser of—

14 “(A) \$250,000; or

15 “(B) the difference in the value of the land  
16 with and without the easement;

17 “(3) provide necessary technical assistance to  
18 assist owners in complying with the terms and con-  
19 ditions of the easement and the comprehensive con-  
20 servation plan; and

21 “(4) permit the land to be used for wildlife ac-  
22 tivities, including hunting and fishing, if such use is  
23 permitted by the owner.

1       “(e) TIME OF PAYMENT.—The Secretary shall pro-  
2 vide payment for obligations incurred by the Secretary  
3 under this section—

4               “(1) with respect to any cost sharing obligation,  
5 as soon as possible after the obligation is incurred;  
6 and

7               “(2) with respect to any annual easement pay-  
8 ment obligation, as soon as possible after October 1  
9 of each year.

10       “(f) COST SHARING PAYMENTS.—In making cost  
11 sharing payments to owners under this section, the Sec-  
12 retary may pay up to 100 percent of the cost of estab-  
13 lishing conservation measures and practices pursuant to  
14 this section.

15       “(g) EASEMENT PAYMENTS.—

16               “(1) DETERMINATION OF AMOUNT.—The Sec-  
17 retary shall determine the amount payable to owners  
18 in the form of easement payments under this sec-  
19 tion, and in making such determination may con-  
20 sider, among other things, the amount necessary to  
21 encourage owners to participate in the easement pro-  
22 gram.

23               “(2) ACCEPTABILITY OF OFFERS.—In deter-  
24 mining the acceptability of easement offers, the Sec-  
25 retary may take into consideration—

1           “(A) the extent to which the purposes of  
2           the easement program would be achieved on the  
3           land;

4           “(B) the productivity of the land; and

5           “(C) the on-farm and off-farm environ-  
6           mental threats if the land is used for the pro-  
7           duction of agricultural commodities.

8           “(3) PRIORITY.—The Secretary shall prioritize  
9           offers that maximize the environmental goals of the  
10          easement program, particularly regarding improve-  
11          ments to water quality, wildlife habitat and cor-  
12          ridors, and water conservation. Priority may also be  
13          given to easements that are part of a cooperative  
14          conservation effort to address priority resource con-  
15          cerns on a regional or watershed scale, or that are  
16          adjacent to existing conservation lands.

17          “(h) PAYMENTS TO OTHERS.—If an owner who is en-  
18          titled to a payment under this section dies, becomes in-  
19          competent, is otherwise unable to receive such payment,  
20          or is succeeded by another person who renders or com-  
21          pletes the required performance, the Secretary shall make  
22          such payment, in accordance with regulations prescribed  
23          by the Secretary and without regard to any other provision  
24          of law, in such manner as the Secretary determines is fair  
25          and reasonable in light of all of the circumstances.



1 “(i) MODIFICATION.—The Secretary may modify an  
 2 easement acquired from, or a related agreement with, an  
 3 owner under this section if—

4 “(1) the current owner of the land agrees to  
 5 such modification; and

6 “(2) the Secretary determines that such modi-  
 7 fication is desirable—

8 “(A) to carry out this section;

9 “(B) to facilitate the practical administra-  
 10 tion of this section; or

11 “(C) to achieve such other goals as the  
 12 Secretary determines are appropriate and con-  
 13 sistent with this section.

14 “(j) TERMINATION.—The Secretary may terminate  
 15 an easement created with an owner under this section if—

16 “(1) the current owner of the land agrees to  
 17 such termination; and

18 “(2) the Secretary determines that such termi-  
 19 nation would be in the public interest.”.

## 20 **Subtitle E—Conservation** 21 **Stewardship Program**

### 22 **SEC. 1401. DEFINITIONS.**

23 (a) CONSERVATION ACTIVITIES.—

24 (1) IN GENERAL.—Section 1238D(1)(A) of the  
 25 Food Security Act of 1985 (16 U.S.C. 3838d(1)(A))

1 is amended by striking “a resource concern” and in-  
 2 serting “one or more resource concerns”.

3 (2) INCLUSIONS.—Section 1238D(1)(B) of the  
 4 Food Security Act of 1985 (16 U.S.C. 3838d(1)(B))  
 5 is amended to read as follows:

6 “(B) INCLUSIONS.—The term ‘conserva-  
 7 tion activities’ includes—

8 “(i) vegetative measures and land  
 9 management measures, including inte-  
 10 grated pest, nutrient, crop residue, and  
 11 managed rotational grazing management  
 12 measures, as determined by the Secretary;

13 “(ii) structural measures that are in-  
 14 tegrated with and essential to the success-  
 15 ful implementation of such vegetative and  
 16 land management measures;

17 “(iii) planning needed to address a re-  
 18 source concern; and

19 “(iv) development of a comprehensive  
 20 conservation plan.”.

21 (b) CONSERVATION MEASUREMENT TOOLS.—Section  
 22 1238D(2) of the Food Security Act of 1985 (16 U.S.C.  
 23 3838d(2)) is amended by inserting “natural resource and”  
 24 before “environmental benefit”.

1       (c) PRIORITY RESOURCE CONCERN.—Section 1238D  
 2 of the Food Security Act of 1985 (16 U.S.C. 3838d) is  
 3 amended by striking paragraphs (4) and (6) and redesignig-  
 4 nating paragraphs (5) and (7) as paragraphs (4) and (5),  
 5 respectively.

6       (d) STEWARDSHIP THRESHOLD.—Section 1238D(5)  
 7 of the Food Security Act of 1985 (as so redesignated) is  
 8 amended to read as follows:

9               “(5) STEWARDSHIP THRESHOLD.—The term  
 10       ‘stewardship threshold’ means the level of natural  
 11       resource conservation and environmental manage-  
 12       ment required to address and improve upon a pri-  
 13       ority resource concern, as determined by the Sec-  
 14       retary using—

15               “(A) conservation measurement tools;

16               “(B) the resource management system  
 17       quality criteria for the particular priority re-  
 18       source concerns;

19               “(C) data from past and current program  
 20       enrollments; and

21               “(D) other similar means to measure im-  
 22       provement and conservation of the priority re-  
 23       source concern.”.

1 **SEC. 1402. CONSERVATION STEWARDSHIP PROGRAM.**

2 (a) ESTABLISHMENT AND PURPOSE.—Section  
3 1238E(a) of the Food Security Act of 1985 (16 U.S.C.  
4 3838e(a)) is amended in the matter preceding paragraph  
5 (1)—

6 (1) by striking “2009 through 2014” and in-  
7 serting “2013 through 2018”; and

8 (2) by striking “resource concerns” and insert-  
9 ing “priority resource concerns and improve and  
10 conserve the quality and condition of natural re-  
11 sources”.

12 (b) ELIGIBLE LAND.—Section 1238E(b) of the Food  
13 Security Act of 1985 (16 U.S.C. 3838e(b)) is amended—

14 (1) in paragraph (1)—

15 (A) in subparagraph (D), by inserting  
16 “priority” before “resource concerns”; and

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

19 “(E) Nonindustrial private forest land.”;  
20 and

21 (2) by striking paragraph (2) and redesignating  
22 paragraph (3) as paragraph (2).

23 (c) EXCLUSIONS.—

24 (1) LAND ENROLLED IN OTHER CONSERVATION  
25 PROGRAMS.—Section 1238E(c)(1) of the Food Secu-

1        rity Act of 1985 (16 U.S.C. 3838e(c)(1)) is amend-  
 2        ed—

3                (A) in the matter preceding subparagraph  
 4                (A), by striking “be eligible for enrollment in  
 5                the program” and inserting “eligible for enroll-  
 6                ment in the program and shall not be consid-  
 7                ered part of the agricultural operation of the  
 8                producer for purposes of the program”; and

9                (B) by amending subparagraph (A) to read  
 10        as follows:

11                “(A) Land enrolled in the conservation re-  
 12        serve program, unless—

13                “(i) the applicant’s conservation re-  
 14        serve program contract will expire at the  
 15        end of the fiscal year in which the appli-  
 16        cant applies for enrollment in the program;  
 17        and

18                “(ii) conservation reserve program  
 19        payments for land enrolled in the program  
 20        cease before the first conservation steward-  
 21        ship program payment is made to the ap-  
 22        plicant.”.

23                (2) TRANSITION.—Section 1238E(c) of the  
 24        Food Security Act of 1985 (16 U.S.C. 3838e(c)) is  
 25        amended by redesignating paragraph (2) as para-

1 graph (3) and inserting after paragraph (1) the fol-  
 2 lowing new paragraph:

3 “(2) TRANSITION.—The Secretary may permit  
 4 land described in paragraph (1)(A) to be prepared  
 5 for production as a grazing operation prior to the  
 6 expiration of the conservation reserve program con-  
 7 tract when a conservation stewardship contract has  
 8 been approved, if no production takes place until  
 9 after the expiration of the conservation reserve pro-  
 10 gram contract.”.

11 (3) CONVERSION TO CROPLAND.—Section  
 12 1238E(c)(2) of the Food Security Act of 1985 (16  
 13 U.S.C. 3838e(c)(2)) is amended by striking “the  
 14 date of enactment of the Food, Conservation, and  
 15 Energy Act of 2008” and inserting “October 1,  
 16 2013”.

17 **SEC. 1403. STEWARDSHIP CONTRACTS.**

18 (a) SUBMISSION OF CONTRACT OFFERS.—Section  
 19 1238F(a) of the Food Security Act of 1985 (16 U.S.C.  
 20 3838f(a)) is amended—

21 (1) in paragraph (1)—

22 (A) by inserting “or exceeding” before  
 23 “the stewardship threshold”; and

1 (B) by striking “one resource concern”  
2 and inserting “2 priority resource concerns”;  
3 and

4 (2) by amending paragraph (2) to read as fol-  
5 lows:

6 “(2) would, at a minimum, meet or exceed the  
7 stewardship threshold for at least 1 additional pri-  
8 ority resource concern by the end of the stewardship  
9 contract by—

10 “(A) installing and adopting additional  
11 conservation activities;

12 “(B) improving, maintaining, and man-  
13 aging conservation activities on the agricultural  
14 operation of the producer in a manner that in-  
15 creases or extends the conservation benefits in  
16 place at the time the contract offer is accepted  
17 by the Secretary; and

18 “(C) if applicable, describing the resource-  
19 conserving crop rotation, managed intensive ro-  
20 tation grazing system, or transition to organic  
21 crop or livestock systems the producer agrees to  
22 improve, maintain, and manage, or install and  
23 adopt, during the term of the conservation  
24 stewardship contract.”.

1 (b) EVALUATION OF CONTRACT OFFERS.—Section  
 2 1238F(b)(1) of the Food Security Act of 1985 (16 U.S.C.  
 3 3838f(b)(1)) is amended to read as follows:

4 “(1) RANKING OF APPLICATIONS.—In evalu-  
 5 ating contract offers made by producers to enter  
 6 into contracts under the program, the Secretary  
 7 shall rank applications based on—

8 “(A) the level of conservation and environ-  
 9 mental benefits resulting from all conservation  
 10 activities to be covered by the contract, includ-  
 11 ing conservation activities proposed to be com-  
 12 menced as a result of the contract, on all appli-  
 13 cable priority resource concerns, based to the  
 14 maximum extent practicable on conservation  
 15 measurement tools; and

16 “(B) in the event of a tie in ranking scores  
 17 between two or more applications, the extent to  
 18 which the actual and anticipated environmental  
 19 benefits from the contract are provided at the  
 20 least cost.”.

21 (c) ENTERING INTO CONTRACTS.—Section 1238F(c)  
 22 of the Food Security Act of 1985 (16 U.S.C. 3838f(c))  
 23 is amended to read as follows:

24 “(c) ENTERING INTO CONTRACTS.—



1           “(1) IN GENERAL.—After a determination that  
 2           a producer is eligible for the program under sub-  
 3           section (a), and a determination that the contract  
 4           offer ranks sufficiently high under the evaluation  
 5           criteria under subsection (b), the Secretary shall  
 6           enter into a conservation stewardship contract with  
 7           the producer to enroll the land to be covered by the  
 8           contract.

9           “(2) FINANCIAL OBLIGATION.—Consistent with  
 10          section 1238G(e)(4), a contract entered into under  
 11          paragraph (1) shall not create an obligation for fi-  
 12          nancial assistance until the first October 1 after the  
 13          contract is entered into.”.

14          (d) CONTRACT RENEWAL.—Section 1238F(e) of the  
 15          Food Security Act of 1985 (16 U.S.C. 3838f(e)) is amend-  
 16          ed to read as follows:

17          “(e) CONTRACT RENEWAL.—At the end of a con-  
 18          servation stewardship contract of a producer, the Sec-  
 19          retary may allow the producer to renew the contract for  
 20          an additional five-year period if the producer—

21                 “(1) demonstrates compliance with the terms of  
 22                 the existing contract;

23                 “(2) agrees to adopt new or improved conserva-  
 24                 tion activities, as determined by the Secretary; and

1           “(3) has met or exceeded, or agrees to meet or  
 2           exceed, the stewardship threshold for all priority re-  
 3           source concerns identified for the region or area in  
 4           which the land that is subject to the contract is lo-  
 5           cated.”.

6           (e) MODIFICATION.—Section 1238F(f) of the Food  
 7           Security Act of 1985 (16 U.S.C. 3838f(f)) is amended to  
 8           read as follows:

9           “(f) MODIFICATION.—

10           “(1) IN GENERAL.—The Secretary may allow a  
 11           producer to modify a stewardship contract if the  
 12           Secretary determines that the modification is con-  
 13           sistent with achieving the purposes of the program.

14           “(2) CHANGES IN CONTROL OF LAND.—The  
 15           Secretary shall allow a producer to add or subtract  
 16           from the contract land over which the producer loses  
 17           or gains control, respectively, during the contract pe-  
 18           riod if such modification is consistent with achieving  
 19           the purposes of the program and if the Secretary de-  
 20           termines that the resulting natural resource and en-  
 21           vironmental benefits would equal or exceed the origi-  
 22           nal contract.”.

23           (f) COORDINATION WITH ORGANIC CERTIFI-  
 24           CATION.—Section 1238F(h) of the Food Security Act of

1 1985 (16 U.S.C. 3838f(h)) is amended by inserting “or  
2 maintain” after “may initiate”.

3 (g) ON-FARM RESEARCH AND DEMONSTRATION OR  
4 PILOT TESTING.—Section 1238F of the Food Security  
5 Act of 1985 (16 U.S.C. 3838f) is amended by striking  
6 subsection (i).

7 **SEC. 1404. DUTIES OF THE SECRETARY.**

8 (a) IN GENERAL.—Section 1238G(a) of the Food Se-  
9 curity Act of 1985 (16 U.S.C. 3838g(a)) is amended to  
10 read as follows:

11 “(a) IN GENERAL.—To achieve the conservation  
12 goals of a contract under the conservation stewardship  
13 program, the Secretary shall—

14 “(1) make the program available to eligible pro-  
15 ducers on a continuous enrollment basis with 1 or  
16 more ranking periods, one of which shall occur in  
17 the first third of each fiscal year;

18 “(2) identify priority resource concerns in a  
19 particular watershed or other appropriate region or  
20 area within a State;

21 “(3) for any region or area that includes any  
22 part of a nutrient-impacted watershed (as deter-  
23 mined by the Secretary), ensure that one of the pri-  
24 ority resource concerns identified under paragraph

1       (2) is water pollution caused by excess nutrient  
2       loads;

3           “(4) develop reliable conservation measurement  
4       tools for purposes of carrying out the program; and

5           “(5) ensure that conservation measurement  
6       tools are transparent and available to producers  
7       by—

8           “(A) making interactive, user-friendly con-  
9       servation measurement tools publically available  
10       online;

11          “(B) making conservation activity natural  
12       resource and environmental benefit scores avail-  
13       able in an easy to understand format for study  
14       both before and during application; and

15          “(C) taking other similar steps, as deter-  
16       mined by the Secretary.”.

17       (b) ALLOCATION TO STATES.—Section 1238G(b) of  
18       the Food Security Act of 1985 (16 U.S.C. 3838g(b)) is  
19       amended—

20           (1) in paragraph (1), by striking “primarily”;  
21       and

22           (2) in paragraph (2), in the matter preceding  
23       subparagraph (A), by striking “also”.

1 (c) ACREAGE ENROLLMENT LIMITATION.—Section  
 2 1238G(d) of the Food Security Act of 1985 (16 U.S.C.  
 3 3838g(d)) is amended—

4 (1) in paragraph (1), by striking “12,769,000”  
 5 and inserting “10,000,000”; and

6 (2) in paragraph (2), by striking “\$18” and in-  
 7 serting “\$23”.

8 (d) CONSERVATION STEWARDSHIP PAYMENTS.—

9 (1) AVAILABILITY OF PAYMENTS.—Section  
 10 1238G(e)(1)(B) of the Food Security Act of 1985  
 11 (16 U.S.C. 3838g(e)(1)(B)) is amended by striking  
 12 “at the operation of the producer” and inserting “on  
 13 the agricultural operation of the producer”.

14 (2) PAYMENT AMOUNT.—Section 1238G(e)(2)  
 15 of the Food Security Act of 1985 (16 U.S.C.  
 16 3838g(e)(2)) is amended to read as follows:

17 “(2) PAYMENT AMOUNT.—

18 “(A) IN GENERAL.—The amount of the  
 19 conservation stewardship payment shall be de-  
 20 termined by the Secretary and based, to the  
 21 maximum extent practicable, on the following  
 22 factors:

23 “(i) Costs incurred by the producer  
 24 associated with planning, design, materials,

1 installation, labor, management, mainte-  
 2 nance, or training.

3 “(ii) Income forgone by the producer.

4 “(iii) Expected natural resource and  
 5 environmental benefits resulting from ex-  
 6 isting and proposed conservation treat-  
 7 ment, based to the maximum extent pos-  
 8 sible on conservation measurement tools.

9 “(B) PAYMENT DIFFERENTIAL.—In apply-  
 10 ing subparagraph (A), the Secretary shall,  
 11 where applicable, differentiate between—

12 “(i) improving, maintaining, and man-  
 13 aging conservation activities in place on  
 14 the agricultural operation at the time the  
 15 contract offer is accepted by the Secretary;  
 16 and

17 “(ii) installing and adopting addi-  
 18 tional conservation activities on the agri-  
 19 cultural operation.”.

20 (3) MINIMUM PAYMENT.—Section 1238G(e) of  
 21 the Food Security Act of 1985 (16 U.S.C. 3838g(e))  
 22 is amended by adding at the end the following new  
 23 paragraph:

24 “(5) MINIMUM PAYMENT.—

1           “(A) IN GENERAL.—A payment to a pro-  
 2           ducer under this subsection shall be not less  
 3           than \$1,500 per year.

4           “(B) COMPREHENSIVE CONTRACT.—If a  
 5           contract requires a comprehensive conservation  
 6           plan the implementation of which will, by the  
 7           end of the contract term, meet or exceed the  
 8           stewardship threshold for all priority resource  
 9           concerns, the minimum payment shall be not  
 10          less than \$3,000.”.

11          (e) SUPPLEMENTAL PAYMENTS FOR RESOURCE-CON-  
 12          SERVING CROP ROTATIONS.—Section 1238G(f) of the  
 13          Food Security Act of 1985 (16 U.S.C. 3838g(f)) is amend-  
 14          ed to read as follows:

15          “(f) SUPPLEMENTAL PAYMENTS FOR RESOURCE-  
 16          CONSERVING CROP ROTATIONS, MANAGED INTENSIVE  
 17          ROTATIONAL GRAZING, AND TRANSITION TO ORGANIC  
 18          CROP OR LIVESTOCK SYSTEMS.—

19               “(1) AVAILABILITY OF PAYMENTS.—The Sec-  
 20          retary shall provide additional payments to pro-  
 21          ducers that, in participating in the program, agree  
 22          to—

23               “(A) improve, maintain, and manage, or  
 24          adopt and maintain—

1 “(i) resource-conserving crop rota-  
 2 tions; or

3 “(ii) managed intensive rotational  
 4 grazing; or

5 “(B) transition to organic crop or livestock  
 6 systems.

7 “(2) RESOURCE-CONSERVING CROP ROTA-  
 8 TION.—In this subsection, the term ‘resource-con-  
 9 serving crop rotation’ means a crop rotation that—

10 “(A) includes at least 1 resource con-  
 11 serving crop (as defined by the Secretary);

12 “(B) reduces erosion;

13 “(C) improves water quality;

14 “(D) improves soil fertility and tilth;

15 “(E) interrupts pest cycles; and

16 “(F) in applicable areas, reduces depletion  
 17 of soil moisture or otherwise reduces the need  
 18 for irrigation.

19 “(3) MANAGED INTENSIVE ROTATIONAL GRAZ-  
 20 ING.—In this subsection, the term ‘managed inten-  
 21 sive rotational grazing’ means a system in which  
 22 animals are regularly and systematically moved to  
 23 fresh pasture in such a way as to—

24 “(A) maximize the quantity and quality of  
 25 forage growth;



1                   “(B) improve manure distribution and nu-  
2                   trient cycling;

3                   “(C) increase carbon sequestration from  
4                   greater forage harvest;

5                   “(D) improve the quantity and quality of  
6                   cover for wildlife;

7                   “(E) provide permanent cover to protect  
8                   the soil from erosion; and

9                   “(F) improve water quality.

10                  “(4) TRANSITION TO ORGANIC CROP OR LIVE-  
11                  STOCK SYSTEMS.—In this subsection, the term ‘tran-  
12                  sition to organic crop or livestock systems’ means  
13                  adoption of conservation activities for certified or-  
14                  ganic production on land or for herds not previously  
15                  certified organic that meet all the requirements of  
16                  the program and that are consistent with the regula-  
17                  tions promulgated under the Organic Foods Produc-  
18                  tion Act of 1990 (7 U.S.C. 6501 et seq.).”.

19                  (f) PAYMENT LIMITATIONS.—Section 1238G(g) of  
20                  the Food Security Act of 1985 (16 U.S.C. 3838g(g)) is  
21                  amended to read as follows:

22                  “(g) PAYMENT LIMITATIONS.—

23                         “(1) IN GENERAL.—A person or legal entity  
24                         may not receive, directly or indirectly, payments  
25                         under this subchapter that, in the aggregate, exceed

1       \$200,000 for all contracts entered into during any  
2       5-year period, excluding funding arrangements with  
3       federally recognized Indian tribes or Alaska Native  
4       corporations, regardless of the number of contracts  
5       entered into under the program by the person or en-  
6       tity.

7               “(2) ACREAGE.—Any acres enrolled in the pro-  
8       gram that will not receive payments due to the limi-  
9       tation in paragraph (1) shall not be counted toward  
10      the acreage limitation in subsection (d)(1).”.

11      (g) REGULATIONS.—Section 1238G(h) of the Food  
12      Security Act of 1985 (16 U.S.C. 3838g(h)) is amended  
13      by redesignating paragraphs (1) and (2) as paragraphs  
14      (2) and (3), respectively, and by inserting before para-  
15      graph (2) (as so redesignated) the following new para-  
16      graph:

17               “(1) require participants in the program to be  
18      actively engaged in farming or ranching;”.

19      (h) DATA.—Section 1238G(i) of the Food Security  
20      Act of 1985 (16 U.S.C. 3838g(i)) is amended to read as  
21      follows:

22               “(i) DATA.—The Secretary shall maintain detailed  
23      and segmented data on contracts and payments under the  
24      program to allow, at a minimum, with respect to each con-  
25      tract—

1 “(1) quantification of the type and extent of  
 2 conservation activities for which payments were  
 3 made;

4 “(2) quantification of the amount of payments  
 5 made for—

6 “(A) the installation and adoption of addi-  
 7 tional conservation activities and improvements  
 8 to conservation activities in place on the oper-  
 9 ation of a producer at the time the conservation  
 10 stewardship offer is accepted by the Secretary;  
 11 and

12 “(B) the maintenance of existing conserva-  
 13 tion activities; and

14 “(3) identification of the watershed and county  
 15 in which the agricultural operation receiving pay-  
 16 ments is located.”.

17 (i) PAYMENTS FOR CONSERVATION ACTIVITIES RE-  
 18 LATED TO ORGANIC PRODUCTION.—Section 1238G of the  
 19 Food Security Act of 1985 (16 U.S.C. 3838g) is amended  
 20 by adding at the end the following new subsection:

21 “(g) PAYMENTS FOR CONSERVATION ACTIVITIES RE-  
 22 LATED TO ORGANIC PRODUCTION.—

23 “(1) IN GENERAL.—The Secretary shall provide  
 24 payments for conservation activities related to or-  
 25 ganic production.

1           “(2) ELIGIBILITY REQUIREMENTS.—As a condi-  
 2           tion for receiving payments under the program, a  
 3           producer shall agree to develop and implement con-  
 4           servation activities for certified organic production  
 5           that are consistent with the regulations promulgated  
 6           under the Organic Foods Production Act of 1990 (7  
 7           U.S.C. 6501 et seq.) and the purposes of the pro-  
 8           gram.

9           “(3) PLANNING.—

10           “(A) IN GENERAL.—The Secretary shall  
 11           provide planning assistance to producers  
 12           transitioning to certified organic production  
 13           consistent with the requirements of the Organic  
 14           Foods Production Act of 1990 (7 U.S.C. 6501  
 15           et seq.) and the purposes of this subchapter.

16           “(B) AVOIDANCE OF DUPLICATION.—The  
 17           Secretary shall, to the maximum extent prac-  
 18           ticable, eliminate duplication of planning activi-  
 19           ties for a producer participating in a contract  
 20           under this subchapter and initiating or main-  
 21           taining organic certification consistent with the  
 22           Organic Foods Production Act of 1990 (7  
 23           U.S.C. 6501 et seq.).”.

24           (j) COMPREHENSIVE CONSERVATION PLANNING.—  
 25           Section 1238G of the Food Security Act of 1985 (16

1 U.S.C. 3838g), as amended by subsection (i), is further  
 2 amended by adding at the end the following new sub-  
 3 section:

4 “(h) COMPREHENSIVE CONSERVATION PLANNING.—  
 5 The Secretary shall provide technical and financial assist-  
 6 ance to producers under the program to develop a com-  
 7 prehensive conservation plan for the agricultural operation  
 8 of the producer.”.

## 9 **Subtitle F—Environmental Quality** 10 **Incentives Program**

### 11 **SEC. 1501. PURPOSES.**

12 Section 1240 of the Food Security Act of 1985 (16  
 13 U.S.C. 3839aa) is amended to read as follows:

### 14 **“SEC. 1240. PURPOSES.**

15 “The purpose of the environmental quality incentives  
 16 program established by this chapter is to assist producers  
 17 in implementing conservation systems, practices, and ac-  
 18 tivities on their operations in order to—

19 “(1) improve water quality, with special empha-  
 20 sis on reducing nutrient pollution and protecting  
 21 sources of drinking water;

22 “(2) avoid, to the maximum extent practicable,  
 23 the need for resource and regulatory programs by  
 24 assisting producers in protecting soil, water, air, and  
 25 related natural resources and meeting environmental

1       quality criteria established by Federal, State, tribal,  
2       and local agencies;

3               “(3) conserve ground and surface water to sus-  
4       tain or improve in-stream flows;

5               “(4) enhance soil quality;

6               “(5) control invasive species;

7               “(6) enhance critical aquatic and terrestrial  
8       wildlife habitat for at-risk species;

9               “(7) reduce the amount and toxicity of pes-  
10       ticides and other agricultural chemicals found on  
11       food and in water or the air;

12              “(8) reduce the nontherapeutic use of medically  
13       important antibiotics in food-producing animals in  
14       order to preserve the effectiveness of antibiotics used  
15       in the treatment of human and animal disease;

16              “(9) help producers adapt to a changing and  
17       unpredictable climate and increase resiliency to cli-  
18       mate change impacts, including rising temperatures  
19       and extreme weather events, while reducing green-  
20       house gas emissions; and

21              “(10) address additional priority resource con-  
22       cerns, as determined by the Secretary.”.

23   **SEC. 1502. DEFINITIONS.**

24       (a) ORGANIC SYSTEM PLAN.—Section 1240A of the  
25   Food Security Act of 1985 (16 U.S.C. 3839aa–1) is

1 amended by striking paragraph (3) and redesignating  
2 paragraphs (4) through (6) as paragraphs (3) through  
3 (5), respectively.

4 (b) PRACTICE.—Section 1240A of the Food Security  
5 Act of 1985 (16 U.S.C. 3839aa–1) is further amended in  
6 paragraph (4)(B) (as redesignated by subsection (a))—

7 (1) in clause (i), by striking “; and” and insert-  
8 ing a semicolon;

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

11 (3) by inserting after clause (i) the following  
12 new clause:

13 “(ii) comprehensive conservation plan-  
14 ning; and”.

15 **SEC. 1503. ESTABLISHMENT AND ADMINISTRATION.**

16 (a) ESTABLISHMENT.—Section 1240B(a) of the  
17 Food Security Act of 1985 (16 U.S.C. 3839aa–2(a)) is  
18 amended by striking “2002 through 2014” and inserting  
19 “2013 through 2018”.

20 (b) TERM.—Section 1240B(b)(2)(B) of the Food Se-  
21 curity Act of 1985 (16 U.S.C. 3839aa–2(b)(2)(B)) is  
22 amended by striking “10 years” and inserting “5 years”.

23 (c) PRIORITY.—Section 1240B(c) of the Food Secu-  
24 rity Act of 1985 (16 U.S.C. 3839aa–2(c)) is amended to  
25 read as follows:

1       “(c) PRIORITY.—If the Secretary determines that the  
 2 environmental values of two or more applications for pay-  
 3 ments are comparable, the Secretary shall assign a higher  
 4 priority to a program application which will achieve the  
 5 environment and conservation values using practices and  
 6 systems the assessed cost of which is lower.”.

7       (d) PAYMENTS.—

8               (1) INCREASED PAYMENTS FOR CERTAIN PRAC-  
 9 TICES.—Section 1240B(d)(3) of the Food Security  
 10 Act of 1985 (16 U.S.C. 3839aa–2(d)(3)) is amended  
 11 to read as follows:

12               “(3) INCREASED PAYMENTS FOR CERTAIN  
 13 PRACTICES.—The Secretary shall provide supple-  
 14 mental payments and enhanced technical assistance  
 15 to producers implementing land management and  
 16 vegetative practices at a level that, as determined by  
 17 the Secretary, results in highly cost-effective treat-  
 18 ment of priority resource concerns, including—

19                       “(A) residue and tillage management;

20                       “(B) contour farming;

21                       “(C) cover cropping;

22                       “(D) integrated pest management;

23                       “(E) nutrient management;

24                       “(F) stream corridor improvement;

25                       “(G) invasive plant species control;



1 “(H) contour buffer strips;

2 “(I) riparian herbaceous and forest buff-  
3 ers;

4 “(J) filterstrips;

5 “(K) stream habitat improvement and  
6 management;

7 “(L) grassed waterways;

8 “(M) wetland restoration and enhance-  
9 ment;

10 “(N) pollinator habitat; or

11 “(O) conservation crop rotation.”.

12 (2) INCREASED PAYMENTS FOR CERTAIN PRO-  
13 DUCERS.—Section 1240B(d)(4)(B) of the Food Se-  
14 curity Act of 1985 (16 U.S.C. 3839aa–2(d)(4)(B))  
15 is amended by striking “30 percent” and inserting  
16 “50 percent”.

17 (3) LIMITATION ON PAYMENTS FOR CERTAIN  
18 PRACTICES.—Section 1240B(d) of the Food Security  
19 Act of 1985 (16 U.S.C. 3839aa–2(d)) is amended by  
20 adding at the end the following new paragraph:

21 “(7) LIMITATION ON PAYMENTS FOR CERTAIN  
22 PRACTICES.—A producer who owns or operates a  
23 large confined animal feeding operation (as defined  
24 by the Secretary) shall not be eligible for payments  
25 under this chapter to construct an animal waste

1 management facility or any associated waste trans-  
 2 port or transfer device.”.

3 (e) ALLOCATION OF FUNDING.—Section 1240B(f) of  
 4 the Food Security Act of 1985 (16 U.S.C. 3839aa–2(f))  
 5 is amended to read as follows:

6 “(f) ALLOCATION OF FUNDING.—Of the funds made  
 7 available for payments for each of fiscal years 2014  
 8 through 2018—

9 “(1) 50 percent shall be targeted at practices  
 10 relating to livestock production; and

11 “(2) not less than 10 percent shall be targeted  
 12 at practices relating to improvement of fish and  
 13 wildlife habitat.”.

14 (f) WATER CONSERVATION OR IRRIGATION EFFI-  
 15 CIENCY PRACTICE.—

16 (1) AVAILABILITY OF PAYMENTS.—Section  
 17 1240B(h)(1) of the Food Security Act of 1985 (16  
 18 U.S.C. 3839aa–2(h)(1)) is amended to read as fol-  
 19 lows:

20 “(1) AVAILABILITY OF PAYMENTS.—The Sec-  
 21 retary may provide payments under this subsection  
 22 to a producer for a water conservation or irrigation  
 23 practice that promotes ground and surface water  
 24 conservation on the agricultural operation of the  
 25 producer by—

1 “(A) improvements to irrigation systems;

2 “(B) enhancement of irrigation efficiencies;

3 “(C) conversion of the agricultural oper-

4 ation to—

5 “(i) the production of less water-in-

6 tensive agricultural commodities; or

7 “(ii) dryland farming;

8 “(D) improvement of the storage of water

9 through measures such as water banking and

10 groundwater recharge;

11 “(E) enhancement of fish and wildlife

12 habitat associated with irrigation systems in-

13 cluding pivot corners and areas with irregular

14 boundaries; or

15 “(F) establishment of other measures, as

16 determined by the Secretary, that improve

17 groundwater and surface water conservation in

18 agricultural operations.”.

19 (2) PRIORITY.—Section 1240B(h)(2) of the

20 Food Security Act of 1985 (16 U.S.C. 3839aa–

21 2(h)(2)) is amended—

22 (A) in subparagraph (A), by striking “;

23 or” and inserting “; and”; and

24 (B) by amending subparagraph (B) to read

25 as follows:

1           “(B) any associated water savings remain  
 2           in the original source of such water for the use-  
 3           ful life of the practice.”.

4           (3) DUTY OF PRODUCERS.—Section 1240B(h)  
 5           of the Food Security Act of 1985 (16 U.S.C.  
 6           3839aa-2(h)) is amended by adding at the end the  
 7           following new paragraph:

8           “(3) DUTY OF PRODUCERS.—The Secretary  
 9           may not provide payments to a producer for a water  
 10          conservation or irrigation practice under this chapter  
 11          unless the producer agrees not to use any associated  
 12          water savings to bring new land, other than inci-  
 13          dental land needed for efficient operations, under ir-  
 14          rigated production, unless the producer is partici-  
 15          pating in a watershed-wide project that will effec-  
 16          tively conserve water, as determined by the Sec-  
 17          retary.”.

18          (g) PAYMENTS FOR CONSERVATION PRACTICES RE-  
 19          LATED TO ORGANIC PRODUCTION.—

20           (1) PAYMENTS AUTHORIZED.—Section  
 21          1240B(i)(1) of the Food Security Act of 1985 (16  
 22          U.S.C. 3839aa-2(i)(1)) is amended by striking  
 23          “subsection” and inserting “chapter”.

24           (2) ELIGIBILITY REQUIREMENTS.—Section  
 25          1240B(i)(2) of the Food Security Act of 1985 (16

1 U.S.C. 3839aa–2(i)(2)) is amended to read as fol-  
 2 lows:

3 “(2) ELIGIBILITY REQUIREMENTS.—As a condi-  
 4 tion for receiving payments under this chapter, a  
 5 producer shall agree to develop and implement con-  
 6 servation practices for certified organic production  
 7 that are consistent with the regulations promulgated  
 8 under the Organic Foods Production Act of 1990 (7  
 9 U.S.C. 6501 et seq.) and the purposes of this chap-  
 10 ter.”.

11 (3) PAYMENT LIMITATIONS; COORDINATION  
 12 WITH ORGANIC CERTIFICATION; PLANNING.—Section  
 13 1240B(i) of the Food Security Act of 1985 (16  
 14 U.S.C. 3839aa–2(i)) is amended—

15 (A) by striking paragraph (3) and redesign-  
 16 ating paragraphs (4) and (5) as paragraphs  
 17 (5) and (6), respectively; and

18 (B) by inserting after paragraph (2) the  
 19 following new paragraphs:

20 “(3) COORDINATION WITH ORGANIC CERTIFI-  
 21 CATION.—The Secretary shall establish a trans-  
 22 parent means by which producers may initiate or-  
 23 ganic certification under the Organic Foods Produc-  
 24 tion Act of 1990 (7 U.S.C. 6501 et seq.) while par-  
 25 ticipating in a contract under this chapter.

1 “(4) PLANNING.—

2 “(A) IN GENERAL.—The Secretary shall  
3 provide planning assistance to producers  
4 transitioning to certified organic production  
5 consistent with the requirements of the Organic  
6 Foods Production Act of 1990 (7 U.S.C. 6501  
7 et seq.) and the purposes of this chapter.

8 “(B) AVOIDANCE OF DUPLICATION.—The  
9 Secretary shall, to the maximum extent prac-  
10 ticable, eliminate duplication of planning activi-  
11 ties for a producer participating in a contract  
12 under this chapter and initiating or maintaining  
13 organic certification consistent with the Organic  
14 Foods Production Act of 1990 (7 U.S.C. 6501  
15 et seq.).”.

16 (h) PAYMENTS FOR CONSERVATION PRACTICES RE-  
17 LATED TO ANTIBIOTIC USE.—Section 1240B of the Food  
18 Security Act of 1985 (16 U.S.C. 3839aa–2) is amended  
19 by adding at the end the following new subsection:

20 “(j) PAYMENTS FOR CONSERVATION PRACTICES RE-  
21 LATED TO ANTIBIOTIC USE.—

22 “(1) PAYMENTS AUTHORIZED.—The Secretary  
23 shall provide payments under this chapter to live-  
24 stock producers for three years, to assist in a transi-  
25 tion to modified animal management and production

1 systems, for practices leading to the reduction in the  
 2 need for antibiotics, including modification of sys-  
 3 tems and spaces to—

4 “(A) improve sanitation;

5 “(B) improve ventilation; or

6 “(C) support the implementation of im-  
 7 proved animal management techniques at the  
 8 operation.

9 “(2) DUTY OF PRODUCER.—The Secretary shall  
 10 not make payments under this chapter for practices  
 11 related to antibiotic use unless the producer agrees  
 12 to provide information to the Secretary documenting  
 13 the resulting reduction in antibiotic use in the oper-  
 14 ation of the producer.”.

15 (i) COMPREHENSIVE CONSERVATION PLANNING.—  
 16 Section 1240B of the Food Security Act of 1985 (16  
 17 U.S.C. 3839aa–2), as amended by subsection (g), is fur-  
 18 ther amended by adding at the end the following new sub-  
 19 section:

20 “(k) COMPREHENSIVE CONSERVATION PLANNING.—  
 21 The Secretary shall provide technical and financial assist-  
 22 ance to producers under the program to develop a com-  
 23 prehensive conservation plan for the agricultural operation  
 24 of the producer.”.

1 **SEC. 1504. EVALUATION OF APPLICATIONS.**

2 (a) EVALUATION CRITERIA.—Section 1240C(a) of  
3 the Food Security Act of 1985 (16 U.S.C. 3839aa–3(a))  
4 is amended by striking “, national, State, and local con-  
5 servation priorities” and inserting “priority resource con-  
6 cerns identified under subsection (d)”.

7 (b) PRIORITIZATION OF APPLICATIONS.—Section  
8 1240C(b) of the Food Security Act of 1985 (16 U.S.C.  
9 3839aa–3(b)) is amended—

10 (1) in paragraph (1), by striking “achieving the  
11 anticipated environmental benefits of the project”  
12 and inserting “priority resource concerns identified  
13 under subsection (d)”;

14 (2) in paragraph (2), by striking “designated  
15 resource concern or resource concerns” and inserting  
16 “priority resource concerns identified under sub-  
17 section (d), including, in the case of applications  
18 from nutrient-impacted watersheds, the degree to  
19 which nutrient loadings would be reduced as a result  
20 of the proposed project”.

21 (c) GROUPING OF APPLICATIONS.—Section 1240C(c)  
22 of the Food Security Act of 1985 (16 U.S.C. 3839aa–3(c))  
23 is amended by striking “for evaluation purposes or other-  
24 wise evaluate applications relative to other applications for  
25 similar farming operations” and inserting “proposing to



1 address the same priority resource concerns for evaluation  
2 purposes”.

3 (d) PRIORITY RESOURCE CONCERNS.—Section  
4 1240C of the Food Security Act of 1985 (16 U.S.C.  
5 3839aa–3) is amended by adding at the end the following  
6 new subsection:

7 “(d) PRIORITY RESOURCE CONCERNS.—For the pur-  
8 poses of this section, the Secretary shall identify priority  
9 resource concerns in a particular watershed or other ap-  
10 propriate region or area within a State.”.

11 **SEC. 1505. ENVIRONMENTAL QUALITY INCENTIVES PRO-**  
12 **GRAM PLAN.**

13 (a) PLAN OF OPERATIONS.—Section 1240E(a) of the  
14 Food Security Act of 1985 (16 U.S.C. 3839aa–5(a)) is  
15 amended to read as follows:

16 “(a) PLAN OF OPERATIONS.—To be eligible to re-  
17 ceive payments under the program, a producer shall sub-  
18 mit to the Secretary for approval a plan of operations  
19 that—

20 “(1) specifies the priority resource concerns to  
21 be addressed;

22 “(2) specifies the type, number, and sequencing  
23 of conservation systems, practices, or activities to be  
24 implemented to address the priority resource con-  
25 cerns;

1           “(3) includes such terms and conditions as the  
2       Secretary considers necessary to carry out the pro-  
3       gram, including a description of the purposes to be  
4       met by the implementation of the plan and a state-  
5       ment of how the plan will achieve or take significant  
6       steps toward achieving the relevant resource man-  
7       agement system quality criteria;

8           “(4) in the case of a confined livestock feeding  
9       operation, provides for development and implementa-  
10      tion of a comprehensive nutrient management plan,  
11      if applicable;

12          “(5) in the case of a producer located within a  
13      nutrient-impacted watershed, identifies methods by  
14      which the producer will limit nutrient loss; and

15          “(6) in the case of forest land, is consistent  
16      with the provisions of a forest management plan  
17      that is approved by the Secretary, which may in-  
18      clude—

19              “(A) a forest stewardship plan described in  
20              section 5 of the Cooperative Forestry Assist-  
21              ance Act of 1978 (16 U.S.C. 2103a);

22              “(B) another practice plan approved by the  
23              State forester; or

24              “(C) another plan determined appropriate  
25              by the Secretary.”.

(b) AVOIDANCE OF DUPLICATION.—Section 1240E(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3839aa–5(b)(1)) is amended by striking “plan of operations” and inserting “resource management system plan”.

**SEC. 1506. DUTIES OF THE SECRETARY.**

Section 1240F(2) of the Food Security Act of 1985 (16 U.S.C. 3839aa–6(2)) is amended by striking “information” and inserting “technical assistance, information,”.

**SEC. 1507. LIMITATION ON PAYMENTS.**

Section 1240G of the Food Security Act of 1985 (16 U.S.C. 3839aa–7) is amended to read as follows:

**“SEC. 1240G. LIMITATION ON PAYMENTS.**

“(a) LIMITATION ON TOTAL PAYMENTS.—Subject to subsection (b), a person or legal entity may not receive, directly or indirectly, cost-share or incentive payments under this chapter, in the aggregate, for all contracts entered into under this chapter by the person or entity (excluding funding arrangements with federally recognized Native American Indian Tribes or Alaska Native Corporations under section 1240B(h)), regardless of the number of contracts entered into under this chapter by the person or entity, that—

“(1) during any fiscal year exceed \$30,000; and

1           “(2) during any five-year period exceed  
2       \$150,000.

3           “(b) WAIVER AUTHORITY.—In the case of contracts  
4 under this chapter for projects of special environmental  
5 significance, as determined by the Secretary, the Secretary  
6 may waive the limitation otherwise applicable under sub-  
7 section (a)(1).

8           “(c) PREVENTION OF DUPLICATION.—The Secretary  
9 shall not approve a contract or provide payments to any  
10 individual for a practice that has already been paid for  
11 as part of a previously approved and completed contract  
12 for any particular parcel of land.”.

## 13                   **Subtitle G—Conservation** 14                   **Innovation Grant Program**

### 15   **SEC. 1601. CONSERVATION INNOVATION GRANT PROGRAM.**

16           Chapter 5 of subtitle D of title XII of the Food Secu-  
17 rity Act of 1985 (16 U.S.C. 3839bb et seq.) is amended  
18 by adding at the end the following new section:

### 19   **“SEC. 1240S. CONSERVATION INNOVATION GRANT PRO-** 20                   **GRAM.**

21           “(a) COMPETITIVE GRANTS FOR INNOVATIVE CON-  
22 SERVATION APPROACHES.—The Secretary shall, for each  
23 of fiscal years 2014 through 2018, carry out a conserva-  
24 tion innovation grant program to encourage innovation in

1 conservation on private farmland, rangeland, wetlands,  
2 grasslands, and forest lands.

3 “(b) USE.—The Secretary shall provide grants under  
4 this section to governmental and non-governmental orga-  
5 nizations and persons, on a competitive basis, to carry out  
6 projects that—

7 “(1) develop and test innovative and cost-effec-  
8 tive technologies and practices and methods of con-  
9 servation delivery to address priority resource con-  
10 cerns;

11 “(2) involve producers who are eligible for pay-  
12 ments or technical assistance under this title;

13 “(3) leverage Federal funds made available to  
14 carry out this section with matching funds provided  
15 by State and local governments and private organi-  
16 zations to promote environmental enhancement and  
17 protection in conjunction with agricultural produc-  
18 tion;

19 “(4) ensure efficient and effective transfer of  
20 innovative technologies and approaches dem-  
21 onstrated through projects that receive funding  
22 under this subsection, such as market systems for  
23 pollution reduction and practices for the storage of  
24 carbon in soil;

1           “(5) provide environmental and resource con-  
 2           servation benefits through increased participation by  
 3           producers of specialty crops;

4           “(6) provide payments to producers to imple-  
 5           ment cost-effective and innovative technologies to  
 6           address priority resource concerns related to air  
 7           quality from agricultural operations; or

8           “(7) provide environmental and resource con-  
 9           servation benefits through increased participation by  
 10          beginning farmers and ranchers and socially dis-  
 11          advantaged farmers and ranchers.

12          “(c) EVALUATION CRITERIA.—The Secretary shall  
 13          develop criteria for evaluating applications for competitive  
 14          grants under this section that will ensure that priority re-  
 15          source concerns are effectively addressed.”.

## 16                   **Subtitle H—Funding and** 17                   **Administration**

### 18   **SEC. 1701. COMMODITY CREDIT CORPORATION.**

19          (a) IN GENERAL.—Section 1241(a) of the Food Se-  
 20          curity Act of 1985 (16 U.S.C. 3841(a)) is amended to  
 21          read as follows:

22          “(a) IN GENERAL.—For each of fiscal years 2014  
 23          through 2018, the Secretary shall use the funds, facilities,  
 24          and authorities of the Commodity Credit Corporation to

1 carry out the following programs under this title (includ-  
2 ing the provision of technical assistance):

3           “(1) The conservation reserve program under  
4 subchapter B of chapter 1 of subtitle D, including,  
5 to the maximum extent practicable, \$50,000,000 for  
6 the period of fiscal years 2014 through 2018 to  
7 carry out section 1235(f) to facilitate the transfer of  
8 land subject to contracts from retired or retiring  
9 owners and operators to beginning farmers or ranch-  
10 ers and socially disadvantaged farmers or ranchers.

11           “(2) The conservation security program under  
12 subchapter A of chapter 2 of subtitle D, using such  
13 sums as are necessary to administer contracts en-  
14 tered into before September 30, 2008.

15           “(3) The conservation stewardship program  
16 under subchapter B of chapter 2 of subtitle D.

17           “(4) The environmental quality incentives pro-  
18 gram under chapter 4 of subtitle D, using, to the  
19 maximum extent practicable, \$1,542,500,000 for  
20 each fiscal year.

21           “(5) The conservation innovation grant pro-  
22 gram under section 1240S, using, to the maximum  
23 extent practicable, \$100,000,000 for each fiscal  
24 year.

1           “(6) The agricultural conservation easement  
 2           program under subtitle H, using, to the maximum  
 3           extent practicable, \$704,000,000 for each fiscal  
 4           year, of which not less than 70 percent shall be used  
 5           to carry out section 1265C.

6           “(7) The conservation loan and loan guarantee  
 7           program under section 1246, using, to the maximum  
 8           extent practicable, for each fiscal year—

9                       “(A) \$200,000,000 for direct loans; and

10                      “(B) \$150,000,000 for loan guarantees.”.

11           (b) GUARANTEED AVAILABILITY OF FUNDS.—Sec-  
 12           tion 1241 of the Food Security Act of 1985 (16 U.S.C.  
 13           3841) is amended—

14                   (1) by redesignating subsections (b) through (h)  
 15                   as subsections (c) through (i), respectively; and

16                   (2) by inserting after subsection (a) the fol-  
 17                   lowing:

18                   “(b) AVAILABILITY OF FUNDS.—

19                               “(1) IN GENERAL.—Except as provided in para-  
 20                               graph (2), amounts made available by subsection (a)  
 21                               shall be used by the Secretary to carry out the pro-  
 22                               grams specified in such subsection for fiscal years  
 23                               2014 through 2018 and shall remain available until  
 24                               expended. Amounts made available for the programs  
 25                               specified in such subsection during a fiscal year



1 through modifications, cancellations, terminations,  
 2 and other related administrative actions and not ob-  
 3 ligated in that fiscal year shall remain available for  
 4 obligation during subsequent fiscal years, but shall  
 5 reduce the amount of additional funds made avail-  
 6 able in the subsequent fiscal year by an amount  
 7 equal to the amount remaining unobligated.

8 “(2) CONSERVATION INNOVATION GRANT PRO-  
 9 GRAM.—Amounts made available by subsection  
 10 (a)(5) for a fiscal year and not obligated in that fis-  
 11 cal year shall be made available for the environ-  
 12 mental quality incentives program under chapter 4  
 13 of subtitle D, and shall remain available until ex-  
 14 pended.”.

15 (c) TECHNICAL ASSISTANCE.—Section 1241(c) of the  
 16 Food Security Act of 1985 (as redesignated by subsection  
 17 (b)) is amended to read as follows:

18 “(c) TECHNICAL ASSISTANCE.—

19 “(1) IN GENERAL.—Commodity Credit Cor-  
 20 poration funds made available for a fiscal year for  
 21 each of the programs specified in subsection (a)—

22 “(A) shall be available for the provision of  
 23 technical assistance for the programs for which  
 24 funds are made available; and

1           “(B) shall not be available for the provi-  
 2           sion of technical assistance for conservation  
 3           programs specified in subsection (a) other than  
 4           the program for which the funds were made  
 5           available.

6           “(2) AMOUNT.—The amount of funds made  
 7           available under paragraph (1) shall in no case equal  
 8           less than 10 percent nor more than 30 percent of  
 9           the amounts made available by subsection (a).”.

10          (d) ASSISTANCE TO CERTAIN FARMERS OR RANCH-  
 11          ERS FOR CONSERVATION ACCESS.—Section 1241(h) of  
 12          the Food Security Act of 1985 (as redesignated by sub-  
 13          section (b)) is amended—

14               (1) in paragraph (1)—

15                       (A) in the matter preceding subparagraph  
 16                       (A), by striking “2012” and inserting “2018”;  
 17                       and

18                       (B) in subparagraph (A), by striking “5”  
 19                       and inserting “10”;

20               (2) in paragraph (2), by inserting “(but not  
 21               earlier than 120 days after the date that funding for  
 22               the fiscal year is allocated to the States)” after “the  
 23               Secretary”;

24               (3) in paragraph (3), by inserting “(but not  
 25               earlier than 120 days after the date that funding for

1 the fiscal year is allocated to the States)” after “the  
2 Secretary”; and

3 (4) by adding at the end the following new  
4 paragraphs:

5 “(4) PARTICIPATION BY BEGINNING AND SO-  
6 CIALY DISADVANTAGED FARMERS AND RANCH-  
7 ERS.—Nothing in this subsection prohibits beginning  
8 or socially disadvantaged farmers or ranchers from  
9 participating in programs and receiving funding  
10 available under this title that is not reserved under  
11 paragraph (1).

12 “(5) TECHNICAL ASSISTANCE.—Of the funds  
13 reserved under paragraph (1), the Secretary shall al-  
14 locate to the Natural Resources Conservation Service  
15 funding for technical assistance at a rate that is not  
16 more than 10 percent higher than the rate that  
17 would otherwise apply under the environmental qual-  
18 ity incentives program and the conservation steward-  
19 ship program to allow the Service to provide addi-  
20 tional technical assistance to beginning farmers or  
21 ranchers and socially disadvantaged farmers or  
22 ranchers to establish comprehensive conservation  
23 plans.”.

1 **SEC. 1702. CONSERVATION LOAN AND LOAN GUARANTEE**  
 2 **PROGRAM.**

3 Subtitle E of title XII of the Food Security Act of  
 4 1985 (16 U.S.C. 3841 et seq.) is amended by adding at  
 5 the end the following new section:

6 **“SEC. 1246. CONSERVATION LOAN AND LOAN GUARANTEE**  
 7 **PROGRAM.**

8 “(a) IN GENERAL.—The Secretary may make or  
 9 guarantee qualified conservation loans to eligible bor-  
 10 rowers under this section.

11 “(b) DEFINITIONS.—In this section:

12 “(1) QUALIFIED CONSERVATION LOAN.—The  
 13 term ‘qualified conservation loan’ means a loan, the  
 14 proceeds of which are used to cover the costs to the  
 15 borrower of carrying out a qualified conservation  
 16 project.

17 “(2) QUALIFIED CONSERVATION PROJECT.—  
 18 The term ‘qualified conservation project’ means con-  
 19 servation measures that address provisions of a com-  
 20 prehensive conservation plan of the eligible borrower.

21 “(3) CONSERVATION LOAN PLAN.—The term  
 22 ‘conservation loan plan’ means a plan, approved by  
 23 the Secretary, that, for a farming or ranching oper-  
 24 ation, identifies—

1           “(A) the conservation activities that will be  
2 addressed with loan funds provided under this  
3 section, including—

4               “(i) the installation of conservation  
5 structures to address soil, water, and re-  
6 lated resources;

7               “(ii) the establishment of forest cover  
8 for sustained yield timber management,  
9 erosion control, or shelterbelt purposes;

10              “(iii) the installation of water con-  
11 servation measures;

12              “(iv) the installation of waste manage-  
13 ment systems;

14              “(v) the establishment or improve-  
15 ment of permanent pasture; or

16              “(vi) other purposes consistent with  
17 the plan, including the adoption of any  
18 other emerging or existing conservation  
19 practices, techniques, or technologies ap-  
20 proved by the Secretary; and

21           “(B) how and to what extent the conserva-  
22 tion project will support the implementation of  
23 a comprehensive conservation plan and improve  
24 the conditions of identified priority resource  
25 concerns.

1 “(c) ELIGIBLE BORROWERS.—

2 “(1) IN GENERAL.—The Secretary may make  
3 or guarantee qualified conservation loans under this  
4 section to—

5 “(A) farmers or ranchers engaged pri-  
6 marily and directly in agricultural production in  
7 the United States; or

8 “(B) farm cooperatives, private domestic  
9 corporations, partnerships, joint operations,  
10 trusts, or limited liability companies that are—

11 “(i) controlled by farmers or ranchers;  
12 and

13 “(ii) engaged primarily and directly in  
14 agricultural production in the United  
15 States.

16 “(2) CONSERVATION LOAN PLAN.—In order to  
17 be eligible to receive a loan or loan guarantee under  
18 this section, an entity described in paragraph (1)  
19 shall have a conservation loan plan.

20 “(d) PRIORITY.—In making or guaranteeing qualified  
21 conservation loans under this section, the Secretary shall  
22 give priority to—

23 “(1) qualified beginning farmers or ranchers  
24 and socially disadvantaged farmers or ranchers;

1           “(2) owners or tenants who use the loans to  
2           convert to sustainable or organic agricultural pro-  
3           duction systems;

4           “(3) producers who use the loans to build con-  
5           servation structures or establish conservation prac-  
6           tices to implement a comprehensive conservation  
7           plan;

8           “(4) projects that will do the most to address  
9           priority resource concerns, as specified in a con-  
10          servation loan plan; and

11          “(5) projects that are designed to help pro-  
12          ducers comply with, or avoid the need for, local,  
13          State, or Federal regulation.

14          “(e) LIMITATIONS APPLICABLE TO LOAN GUARAN-  
15          TEES.—The portion of a qualified conservation loan that  
16          the Secretary may guarantee under this section shall be  
17          not more than 90 percent of the principal amount of the  
18          loan.

19          “(f) ADMINISTRATIVE PROVISIONS.—

20                 “(1) GEOGRAPHIC DISTRIBUTION.—The Sec-  
21          retary shall ensure, to the maximum extent prac-  
22          ticable, that qualified conservation loans made or  
23          guaranteed under this section are distributed across  
24          diverse geographic regions, while still prioritizing

1 qualified conservation projects with the greatest con-  
 2 servation or environmental benefit.

3 “(2) AGENCY COOPERATION.—The Secretary  
 4 shall ensure proper cooperation between the Natural  
 5 Resources Conservation Service, which shall review  
 6 and approve comprehensive loan plans and provide  
 7 technical assistance for qualified conservation  
 8 projects, and the Farm Service Agency, which will  
 9 approve and issue loans and loan guarantees under  
 10 this section.

11 “(3) INTEREST RATES.—The Secretary shall  
 12 ensure that a loan made under this section is made  
 13 at or below market rate.”.

## 14 **Subtitle I—Agricultural** 15 **Conservation Easement Program**

### 16 **SEC. 1801. AGRICULTURAL CONSERVATION EASEMENT** 17 **PROGRAM.**

18 (a) ESTABLISHMENT.—Title XII of the Food Secu-  
 19 rity Act of 1985 is amended by adding at the end the fol-  
 20 lowing:

## 21 **“Subtitle H—Agricultural** 22 **Conservation Easement Program**

### 23 **“SEC. 1265. ESTABLISHMENT AND PURPOSES.**

24 “(a) ESTABLISHMENT.—The Secretary shall estab-  
 25 lish an agricultural conservation easement program for the



1 conservation of eligible land and natural resources through  
 2 easements or other interests in land.

3 “(b) PURPOSES.—The purposes of the program are  
 4 to—

5 “(1) combine the purposes and coordinate the  
 6 functions of the wetlands reserve program estab-  
 7 lished under section 1237, the grassland reserve pro-  
 8 gram established under section 1238N, and the  
 9 farmland protection program established under sec-  
 10 tion 1238I, as such sections were in effect on Sep-  
 11 tember 30, 2013;

12 “(2) restore, protect, and enhance wetland on  
 13 eligible land;

14 “(3) protect and enhance the agricultural use,  
 15 viability, and related conservation values of eligible  
 16 land by limiting nonagricultural uses of that land;  
 17 and

18 “(4) protect grazing uses and related conserva-  
 19 tion values by restoring and conserving eligible land.

20 **“SEC. 1265A. DEFINITIONS.**

21 “In this subtitle:

22 “(1) AGRICULTURAL LAND EASEMENT.—The  
 23 term ‘agricultural land easement’ means an ease-  
 24 ment or other interest in eligible land that—

1           “(A) is conveyed for the purposes of pro-  
 2           tecting natural resources and the agricultural  
 3           nature of the land, and of promoting agricul-  
 4           tural viability for future generations; and

5           “(B) permits the landowner the right to  
 6           continue agricultural production and related  
 7           uses subject to an agricultural land easement  
 8           plan.

9           “(2) ELIGIBLE ENTITY.—The term ‘eligible en-  
 10          tity’ means—

11           “(A) an agency of State or local govern-  
 12           ment or an Indian tribe (including a farmland  
 13           protection board or land resource council estab-  
 14           lished under State law); or

15           “(B) an organization that is—

16           “(i) organized for, and at all times  
 17           since the formation of the organization has  
 18           been operated principally for, 1 or more of  
 19           the conservation purposes specified in  
 20           clause (i), (ii), (iii), or (iv) of section  
 21           170(h)(4)(A) of the Internal Revenue Code  
 22           of 1986;

23           “(ii) an organization described in sec-  
 24           tion 501(c)(3) of that Code that is exempt

1 from taxation under section 501(a) of that  
2 Code; or

3 “(iii) described in—

4 “(I) paragraph (1) or (2) of sec-  
5 tion 509(a) of that Code; or

6 “(II) section 509(a)(3) of that  
7 Code and is controlled by an organiza-  
8 tion described in section 509(a)(2) of  
9 that Code.

10 “(3) ELIGIBLE LAND.—The term ‘eligible land’  
11 means private or tribal land that is—

12 “(A) in the case of an agricultural land  
13 easement, agricultural land, including land on a  
14 farm or ranch—

15 “(i) that is subject to a pending offer  
16 for purchase from an eligible entity;

17 “(ii) that—

18 “(I) has prime, unique, or other  
19 productive soil;

20 “(II) contains historical or ar-  
21 chaeological resources; or

22 “(III) the protection of which will  
23 further a State or local policy con-  
24 sistent with the purposes of the pro-  
25 gram; and

1 “(iii) that is—

2 “(I) cropland;

3 “(II) rangeland;

4 “(III) grassland or land that con-  
5 tains forbs, or shrubland for which  
6 grazing is the predominant use;

7 “(IV) pastureland; or

8 “(V) nonindustrial private forest  
9 land that contributes to the economic  
10 viability of an offered parcel or serves  
11 as a buffer to protect such land from  
12 development;

13 “(B) in the case of a wetland easement, a  
14 wetland or related area, including—

15 “(i) farmed or converted wetland, to-  
16 gether with the adjacent land that is func-  
17 tionally dependent on that land, if the Sec-  
18 retary determines it—

19 “(I) is likely to be successfully  
20 restored in a cost effective manner;  
21 and

22 “(II) will maximize the wildlife  
23 benefits and wetland functions and  
24 values as determined by the Secretary

1 in consultation with the Secretary of  
2 the Interior at the local level;

3 “(ii) cropland or grassland that was  
4 used for agricultural production prior to  
5 flooding from the natural overflow of a  
6 closed basin lake or pothole, as determined  
7 by the Secretary, together (where prac-  
8 ticable) with the adjacent land that is  
9 functionally dependent on the cropland or  
10 grassland;

11 “(iii) farmed wetland and adjoining  
12 land that—

13 “(I) is enrolled in the conserva-  
14 tion reserve program;

15 “(II) has the highest wetland  
16 functions and values; and

17 “(III) is likely to return to pro-  
18 duction after the land leaves the con-  
19 servation reserve program;

20 “(iv) riparian areas that link wetland  
21 that is protected by easements or some  
22 other device that achieves the same pur-  
23 pose as an easement; or

24 “(v) other wetland of an owner that  
25 would not otherwise be eligible, if the Sec-

1           retary determines that the inclusion of  
 2           such wetland in such easement would sig-  
 3           nificantly add to the functional value of the  
 4           easement; or

5           “(C) in the case of both an agricultural  
 6           land easement or wetland easement, other land  
 7           that is incidental to eligible land if the Sec-  
 8           retary determines that it is necessary for the ef-  
 9           ficient administration of the easements under  
 10          this program.

11          “(4) PROGRAM.—The term ‘program’ means  
 12          the agricultural conservation easement program es-  
 13          tablished by this subtitle.

14          “(5) WETLAND EASEMENT.—The term ‘wetland  
 15          easement’ means a reserved interest in eligible land  
 16          that—

17                 “(A) is defined and delineated in a deed;  
 18                 and

19                 “(B) stipulates—

20                         “(i) the rights, title, and interests in  
 21                         land conveyed to the Secretary; and

22                         “(ii) the rights, title, and interests in  
 23                         land that are reserved to the landowner.

1 **“SEC. 1265B. AGRICULTURAL LAND EASEMENTS.**

2 “(a) AVAILABILITY OF ASSISTANCE.—The Secretary  
3 shall facilitate and provide funding for—

4 “(1) the purchase by eligible entities of agricul-  
5 tural land easements and other interests in eligible  
6 land; and

7 “(2) technical assistance to provide for the con-  
8 servation of natural resources pursuant to an agri-  
9 cultural land easement plan.

10 “(b) COST-SHARE ASSISTANCE.—

11 “(1) IN GENERAL.—The Secretary shall provide  
12 cost-share assistance to eligible entities for pur-  
13 chasing agricultural land easements to protect the  
14 agricultural use, including grazing, and related con-  
15 servation values of eligible land.

16 “(2) SCOPE OF ASSISTANCE AVAILABLE.—

17 “(A) FEDERAL SHARE.—Subject to sub-  
18 paragraph (C), an agreement described in para-  
19 graph (4) shall provide for a Federal share de-  
20 termined by the Secretary of an amount not to  
21 exceed 50 percent of the fair market value of  
22 the agricultural land easement or other interest  
23 in land, as determined by the Secretary using—

24 “(i) the Uniform Standards of Profes-  
25 sional Appraisal Practice;

1 “(ii) an area-wide market analysis or  
 2 survey; or

3 “(iii) another industry-approved meth-  
 4 od.

5 “(B) NON-FEDERAL SHARE.—

6 “(i) IN GENERAL.—Subject to sub-  
 7 paragraph (C), under the agreement, the  
 8 eligible entity shall provide a share that is  
 9 at least equivalent to that provided by the  
 10 Secretary.

11 “(ii) SOURCE OF CONTRIBUTION.—An  
 12 eligible entity may include as part of its  
 13 share a charitable donation or qualified  
 14 conservation contribution (as defined by  
 15 section 170(h) of the Internal Revenue  
 16 Code of 1986) from the private landowner  
 17 if the eligible entity contributes its own  
 18 cash resources in an amount that is at  
 19 least 50 percent of the amount contributed  
 20 by the Secretary.

21 “(C) WAIVER AUTHORITY.—In the case of  
 22 grassland of special environmental significance,  
 23 as determined by the Secretary, the Secretary  
 24 may provide up to 75 percent of the fair market  
 25 value of the agricultural land easement.



1           “(3) EVALUATION AND RANKING OF APPLICA-  
2 TIONS.—

3           “(A) CRITERIA.—The Secretary shall es-  
4 tablish evaluation and ranking criteria to maxi-  
5 mize the benefit of Federal investment under  
6 the program.

7           “(B) CONSIDERATIONS.—In establishing  
8 the criteria, the Secretary shall emphasize sup-  
9 port for—

10           “(i) protecting agricultural uses and  
11 enhancing related conservation values of  
12 the land; and

13           “(ii) maximizing the protection of  
14 areas devoted to agricultural use and the  
15 conservation values that can be derived  
16 from the land.

17           “(C) PRIORITY.—If the Secretary deter-  
18 mines that the environmental values of two or  
19 more applications for cost-share assistance are  
20 comparable, the Secretary shall assign a higher  
21 priority to a program application which will  
22 achieve the environment and conservation val-  
23 ues using practices and systems the assessed  
24 cost of which is lower.

25           “(4) AGREEMENTS WITH ELIGIBLE ENTITIES.—

1           “(A) IN GENERAL.—The Secretary shall  
 2           enter into agreements with eligible entities to  
 3           stipulate the terms and conditions under which  
 4           the eligible entity is permitted to use cost-share  
 5           assistance provided under this section.

6           “(B) LENGTH OF AGREEMENTS.—An  
 7           agreement shall be for a term that is—

8                   “(i) in the case of an eligible entity  
 9                   certified under the process described in  
 10                  paragraph (5), a minimum of 5 years; and

11                  “(ii) for all other eligible entities, at  
 12                  least 3, but not more than 5 years.

13           “(C) MINIMUM TERMS AND CONDITIONS.—  
 14           An eligible entity shall be authorized to use its  
 15           own terms and conditions for agricultural land  
 16           easements so long as the Secretary determines  
 17           such terms and conditions—

18                   “(i) are consistent with the purposes  
 19                   of the program;

20                   “(ii) are permanent or for the max-  
 21                   imum duration allowed under applicable  
 22                   State law;

23                   “(iii) permit effective enforcement of  
 24                   the conservation purposes of such ease-  
 25                   ments, including appropriate restrictions

1 depending on the purposes for which the  
2 easement is acquired;

3 “(iv) include a right of enforcement  
4 for the Secretary that may be used if the  
5 terms of the easement are not enforced by  
6 the holder of the easement;

7 “(v) subject the land in which such an  
8 interest is purchased to an agricultural  
9 land easement plan that—

10 “(I) describes the activities which  
11 promote the long-term viability of the  
12 land to meet the purposes for which  
13 the easement was acquired;

14 “(II) requires the management of  
15 grassland according to a grassland  
16 management plan; and

17 “(III) includes a comprehensive  
18 conservation plan, and requires, at the  
19 option of the Secretary, the conversion  
20 of highly erodible cropland to less in-  
21 tensive uses; and

22 “(vi) include a limit on the impervious  
23 surfaces to be allowed that is consistent  
24 with the purposes of the program under  
25 section 1265(b).

1           “(D) SUBSTITUTION OF QUALIFIED  
2 PROJECTS.—An agreement shall allow, upon  
3 mutual agreement of the parties, substitution of  
4 qualified projects that are identified at the time  
5 of the proposed substitution.

6           “(E) EFFECT OF VIOLATION.—If a viola-  
7 tion occurs of a term or condition of an agree-  
8 ment under this subsection—

9                   “(i) the Secretary may terminate the  
10 agreement; and

11                   “(ii) the Secretary may require the el-  
12 igible entity to refund all or part of any  
13 payments received by the entity under the  
14 program, with interest on the payments as  
15 determined appropriate by the Secretary.

16           “(5) CERTIFICATION OF ELIGIBLE ENTITIES.—

17                   “(A) CERTIFICATION PROCESS.—The Sec-  
18 retary shall establish a process under which the  
19 Secretary may—

20                   “(i) directly certify eligible entities  
21 that meet established criteria;

22                   “(ii) enter into long-term agreements  
23 with certified eligible entities; and

24                   “(iii) accept proposals for cost-share  
25 assistance for the purchase of agricultural

1 land easements throughout the duration of  
2 such agreements.

3 “(B) CERTIFICATION CRITERIA.—In order  
4 to be certified, an eligible entity shall dem-  
5 onstrate to the Secretary that the entity will  
6 maintain, at a minimum, for the duration of the  
7 agreement—

8 “(i) a plan for administering ease-  
9 ments that is consistent with the purpose  
10 of this subtitle;

11 “(ii) the capacity and resources to  
12 monitor and enforce agricultural land ease-  
13 ments; and

14 “(iii) policies and procedures to en-  
15 sure—

16 “(I) the long-term integrity of  
17 agricultural land easements on eligible  
18 land;

19 “(II) timely completion of acqui-  
20 sitions of easements; and

21 “(III) timely and complete eval-  
22 uation and reporting to the Secretary  
23 on the use of funds provided under  
24 the program.

25 “(C) REVIEW AND REVISION.—

1                   “(i) REVIEW.—The Secretary shall  
 2                   conduct a review of eligible entities cer-  
 3                   tified under subparagraph (A) every 3  
 4                   years to ensure that such entities are  
 5                   meeting the criteria established under sub-  
 6                   paragraph (B).

7                   “(ii) REVOCATION.—If the Secretary  
 8                   finds that the certified eligible entity no  
 9                   longer meets the criteria established under  
 10                  subparagraph (B), the Secretary may—

11                   “(I) allow the certified eligible  
 12                   entity a specified period of time, at a  
 13                   minimum 180 days, in which to take  
 14                   such actions as may be necessary to  
 15                   meet the criteria; and

16                   “(II) revoke the certification of  
 17                   the eligible entity, if, after the speci-  
 18                   fied period of time, the certified entity  
 19                   does not meet such criteria.

20                  “(c) TECHNICAL ASSISTANCE.—The Secretary may  
 21                  provide technical assistance, if requested, to assist in—

22                   “(1) compliance with the terms and conditions  
 23                   of easements; and

24                   “(2) implementation of an agricultural land  
 25                   easement plan.

1 **“SEC. 1265C. WETLAND EASEMENTS.**

2 “(a) AVAILABILITY OF ASSISTANCE.—The Secretary  
3 shall provide assistance to owners of eligible land to re-  
4 store, protect, and enhance wetland through—

5 “(1) easements and related wetland easement  
6 plans; and

7 “(2) technical assistance.

8 “(b) EASEMENTS.—

9 “(1) METHOD OF ENROLLMENT.—The Sec-  
10 retary shall enroll eligible land through the use of—

11 “(A) 30-year easements;

12 “(B) permanent easements;

13 “(C) easements for the maximum duration  
14 allowed under applicable State laws; or

15 “(D) as an option for Indian tribes only,  
16 30-year contracts (which shall be considered to  
17 be 30-year contracts for the purposes of this  
18 subtitle).

19 “(2) LIMITATIONS.—

20 “(A) INELIGIBLE LAND.—The Secretary  
21 may not acquire wetland easements on—

22 “(i) land established to trees under  
23 the conservation reserve program, except in  
24 cases where the Secretary determines it  
25 would further the purposes of the program;  
26 and

1 “(ii) farmed wetland or converted wet-  
 2 land where the conversion was not com-  
 3 menced prior to December 23, 1985.

4 “(B) CHANGES IN OWNERSHIP.—No wet-  
 5 land easement shall be created on land that has  
 6 changed ownership during the preceding 24-  
 7 month period unless—

8 “(i) the new ownership was acquired  
 9 by will or succession as a result of the  
 10 death of the previous owner;

11 “(ii)(I) the ownership change occurred  
 12 because of foreclosure on the land; and

13 “(II) immediately before the fore-  
 14 closure, the owner of the land exercises a  
 15 right of redemption from the mortgage  
 16 holder in accordance with State law; or

17 “(iii) the Secretary determines that  
 18 the land was acquired under circumstances  
 19 that give adequate assurances that such  
 20 land was not acquired for the purposes of  
 21 placing it in the program.

22 “(3) EVALUATION AND RANKING OF OFFERS.—

23 “(A) CRITERIA.—The Secretary shall es-  
 24 tablish evaluation and ranking criteria to maxi-



1           mize the benefit of Federal investment under  
2           the program.

3           “(B) CONSIDERATIONS.—When evaluating  
4           offers from landowners, the Secretary may con-  
5           sider—

6                   “(i) the conservation benefits of ob-  
7                   taining a wetland easement, including the  
8                   potential environmental benefits if the land  
9                   was removed from agricultural production;

10                   “(ii) the cost-effectiveness of each  
11                   wetland easement, so as to maximize the  
12                   environmental benefits per dollar expended;

13                   “(iii) whether the landowner or an-  
14                   other person is offering to contribute fi-  
15                   nancially to the cost of the wetland ease-  
16                   ment to leverage Federal funds; and

17                   “(iv) such other factors as the Sec-  
18                   retary determines are necessary to carry  
19                   out the purposes of the program.

20           “(C) PRIORITY.—The Secretary shall place  
21           priority on acquiring wetland easements based  
22           on the value of the wetland easement for pro-  
23           tecting and enhancing habitat for migratory  
24           birds and other wildlife.

1           “(4) AGREEMENT.—To be eligible to place eligi-  
 2           ble land into the program through a wetland ease-  
 3           ment, the owner of such land shall enter into an  
 4           agreement with the Secretary to—

5                   “(A) grant an easement on such land to  
 6           the Secretary;

7                   “(B) authorize the implementation of a  
 8           wetland easement plan;

9                   “(C) create and record an appropriate  
 10          deed restriction in accordance with applicable  
 11          State law to reflect the easement agreed to;

12                  “(D) provide a written statement of con-  
 13          sent to such easement signed by those holding  
 14          a security interest in the land;

15                  “(E) comply with the terms and conditions  
 16          of the easement and any related agreements;  
 17          and

18                  “(F) permanently retire any existing crop-  
 19          land base and allotment history for the land on  
 20          which the easement has been obtained.

21           “(5) TERMS AND CONDITIONS OF EASEMENT.—

22                   “(A) IN GENERAL.—A wetland easement  
 23           shall include terms and conditions that—

24                           “(i) permit—

1 “(I) repairs, improvements, and  
2 inspections on the land that are nec-  
3 essary to maintain existing public  
4 drainage systems; and

5 “(II) owners to control public ac-  
6 cess on the easement areas while iden-  
7 tifying access routes to be used for  
8 restoration activities and management  
9 and easement monitoring;

10 “(ii) prohibit—

11 “(I) the alteration of wildlife  
12 habitat and other natural features of  
13 such land, unless specifically author-  
14 ized by the Secretary;

15 “(II) the spraying of such land  
16 with chemicals or the mowing of such  
17 land, except where such spraying or  
18 mowing is authorized by the Secretary  
19 or is necessary—

20 “(aa) to comply with Fed-  
21 eral or State noxious weed con-  
22 trol laws;

23 “(bb) to comply with a Fed-  
24 eral or State emergency pest  
25 treatment program; or

1                   “(cc) to meet habitat needs  
2                   of specific wildlife species;

3                   “(III) any activities to be carried  
4                   out on the owner’s or successor’s land  
5                   that is immediately adjacent to, and  
6                   functionally related to, the land that  
7                   is subject to the easement if such ac-  
8                   tivities will alter, degrade, or other-  
9                   wise diminish the functional value of  
10                  the eligible land; and

11                  “(IV) the adoption of any other  
12                  practice that would tend to defeat the  
13                  purposes of the program, as deter-  
14                  mined by the Secretary;

15                  “(iii) provide for the efficient and ef-  
16                  fective establishment of wetland functions  
17                  and values; and

18                  “(iv) include such additional provi-  
19                  sions as the Secretary determines are de-  
20                  sirable to carry out the program or facili-  
21                  tate the practical administration thereof.

22                  “(B) VIOLATION.—On the violation of the  
23                  terms or conditions of the wetland easement,  
24                  the wetland easement shall remain in force and  
25                  the Secretary may require the owner to refund

1 all or part of any payments received by the  
 2 owner under the program, together with inter-  
 3 est thereon as determined appropriate by the  
 4 Secretary.

5 “(C) COMPATIBLE USES.—Land subject to  
 6 a wetland easement may be used for compatible  
 7 economic uses, including such activities as  
 8 hunting and fishing, managed timber harvest,  
 9 or periodic haying or grazing, if such use is spe-  
 10 cifically permitted by the wetland easement plan  
 11 and is consistent with the long-term protection  
 12 and enhancement of the wetland resources for  
 13 which the easement was established.

14 “(D) RESERVATION OF GRAZING  
 15 RIGHTS.—The Secretary may include in the  
 16 terms and conditions of a wetland easement a  
 17 provision under which the owner reserves graz-  
 18 ing rights if—

19 “(i) the Secretary determines that the  
 20 reservation and use of the grazing rights—

21 “(I) is compatible with the land  
 22 subject to the easement;

23 “(II) is consistent with the his-  
 24 torical natural uses of the land and  
 25 long-term protection and enhancement

1 goals for which the easement was es-  
2 tablished; and

3 “(III) complies with the wetland  
4 easement plan; and

5 “(ii) the agreement provides for a  
6 commensurate reduction in the easement  
7 payment to account for the grazing value,  
8 as determined by the Secretary.

9 “(6) COMPENSATION.—

10 “(A) DETERMINATION.—

11 “(i) IN GENERAL.—The Secretary  
12 shall pay as compensation for a permanent  
13 wetland easement acquired under the pro-  
14 gram an amount necessary to encourage  
15 enrollment in the program based on the  
16 lowest of—

17 “(I) the fair market value of the  
18 land, as determined by the Secretary,  
19 using the Uniform Standards of Pro-  
20 fessional Appraisal Practice or an  
21 area-wide market analysis or survey;

22 “(II) the amount corresponding  
23 to a geographical cap, as determined  
24 by the Secretary in regulations; or

1                   “(III) the offer made by the  
2                   landowner.

3                   “(ii) OTHER.—Compensation for a  
4                   30-year wetland easement shall be not less  
5                   than 50 percent, but not more than 75  
6                   percent, of the compensation that would be  
7                   paid for a permanent wetland easement.

8                   “(B) FORM OF PAYMENT.—Compensation  
9                   shall be provided by the Secretary in the form  
10                  of a cash payment, in an amount determined  
11                  under subparagraph (A).

12                  “(C) PAYMENT SCHEDULE.—

13                  “(i) EASEMENTS VALUED AT LESS  
14                  THAN \$500,000.—For wetland easements  
15                  valued at \$500,000 or less, the Secretary  
16                  may provide easement payments in not  
17                  more than 10 annual payments.

18                  “(ii) EASEMENTS VALUED AT MORE  
19                  THAN \$500,000.—For wetland easements  
20                  valued at more than \$500,000, the Sec-  
21                  retary may provide easement payments in  
22                  at least 5, but not more than 10 annual  
23                  payments, except that, if the Secretary de-  
24                  termines it would further the purposes of

1           the program, the Secretary may make a  
2           lump sum payment for such an easement.

3       “(c) EASEMENT RESTORATION.—

4           “(1) IN GENERAL.—The Secretary shall provide  
5       financial assistance to carry out the establishment of  
6       conservation measures and practices and protect  
7       wetland functions and values, including necessary  
8       maintenance activities, as set forth in a wetland  
9       easement plan.

10       “(2) PAYMENTS.—The Secretary shall—

11           “(A) in the case of a permanent wetland  
12       easement, pay an amount that is not less than  
13       75 percent, but not more than 100 percent, of  
14       the eligible costs as determined by the Sec-  
15       retary; and

16           “(B) in the case of a 30-year wetland ease-  
17       ment, pay an amount that is not less than 50  
18       percent, but not more than 75 percent, of the  
19       eligible costs, as determined by the Secretary.

20       “(d) TECHNICAL ASSISTANCE.—

21           “(1) IN GENERAL.—The Secretary shall assist  
22       owners in complying with the terms and conditions  
23       of easements.

24           “(2) CONTRACTS OR AGREEMENTS.—The Sec-  
25       retary may enter into 1 or more contracts with pri-



1 vate entities or agreements with a State, non-govern-  
2 mental organization, or Indian tribe to carry out  
3 necessary restoration, enhancement, or maintenance  
4 of a wetland easement if the Secretary determines  
5 that the contract or agreement will advance the pur-  
6 poses of the program.

7 “(3) FUNDING.—Not less than 10 percent of  
8 the funds made available to carry out this section  
9 shall be available to provide technical assistance  
10 under this subsection.

11 “(e) WETLAND ENHANCEMENT OPTION.—The Sec-  
12 retary may enter into 1 or more agreements with a State  
13 (including a political subdivision or agency of a State),  
14 nongovernmental organization, or Indian tribe to carry out  
15 a special wetland enhancement option that the Secretary  
16 determines would advance the purposes of the program.

17 “(f) ADMINISTRATION.—

18 “(1) WETLAND EASEMENT PLAN.—The Sec-  
19 retary shall develop a wetland easement plan for eli-  
20 gible land subject to a wetland easement, which will  
21 include the practices and activities necessary to re-  
22 store, protect, enhance, and maintain the enrolled  
23 land.

24 “(2) DELEGATION OF EASEMENT ADMINISTRA-  
25 TION.—

1           “(A) IN GENERAL.—The Secretary may  
2           delegate any of the easement management,  
3           monitoring, and enforcement responsibilities of  
4           the Secretary to other Federal or State agencies  
5           that have the appropriate authority, expertise  
6           and resources necessary to carry out such dele-  
7           gated responsibilities or to other conservation  
8           organizations if the Secretary determines the  
9           organization has similar expertise and re-  
10          sources.

11          “(B) LIMITATION.—The Secretary shall  
12          not delegate any of the monitoring or enforce-  
13          ment responsibilities under the program to con-  
14          servation organizations.

15          “(3) PAYMENTS.—

16               “(A) TIMING OF PAYMENTS.—The Sec-  
17               retary shall provide payment for obligations in-  
18               curred by the Secretary under this section—

19                       “(i) with respect to any easement res-  
20                       toration obligation as soon as possible after  
21                       the obligation is incurred; and

22                       “(ii) with respect to any annual ease-  
23                       ment payment obligation incurred by the  
24                       Secretary as soon as possible after October  
25                       1 of each calendar year.

1           “(B) PAYMENTS TO OTHERS.—If an owner  
 2           who is entitled to a payment dies, becomes in-  
 3           competent, is otherwise unable to receive such  
 4           payment, or is succeeded by another person or  
 5           entity who renders or completes the required  
 6           performance, the Secretary shall make such  
 7           payment, in accordance with regulations pre-  
 8           scribed by the Secretary and without regard to  
 9           any other provision of law, in such manner as  
 10          the Secretary determines is fair and reasonable  
 11          in light of all of the circumstances.

12          “(g) WETLANDS RESERVE ENHANCEMENT PRO-  
 13          GRAM.—

14               “(1) PROGRAM AUTHORIZED.—The Secretary  
 15          may enter into 1 or more agreements with a State  
 16          (including a political subdivision or agency of a  
 17          State), nongovernmental organization, or Indian  
 18          tribe to carry out a special wetlands reserve en-  
 19          hancement program that the Secretary determines  
 20          would advance the purposes of this section.

21               “(2) RESERVED RIGHTS PILOT PROGRAM.—

22                   “(A) RESERVATION OF GRAZING AND  
 23          HAYING RIGHTS.—As part of the wetlands re-  
 24          serve enhancement program, the Secretary shall  
 25          carry out a pilot program for land in which a

1           landowner may reserve grazing and haying  
 2           rights in the warranty easement deed restriction  
 3           if the Secretary determines that the reservation  
 4           and use of the grazing rights—

5                   “(i) is compatible with the land sub-  
 6                   ject to the easement;

7                   “(ii) is consistent with the long-term  
 8                   wetland protection and enhancement goals  
 9                   for which the easement was established;  
 10                  and

11                  “(iii) complies with a comprehensive  
 12                  conservation plan.

13                  “(B) DURATION.—The pilot program es-  
 14                  tablished under this paragraph shall terminate  
 15                  on September 30, 2018.

16 **“SEC. 1265D. ADMINISTRATION.**

17           “(a) INELIGIBLE LAND.—The Secretary may not ac-  
 18           quire an easement under the program on—

19                   “(1) land owned by an agency of the United  
 20                   States, other than land held in trust for Indian  
 21                   tribes;

22                   “(2) land owned in fee title by a State, includ-  
 23                   ing an agency or a subdivision of a State, or a unit  
 24                   of local government;

1           “(3) land subject to an easement or deed re-  
 2           striction which, as determined by the Secretary, pro-  
 3           vides similar protection as would be provided by en-  
 4           rollment in the program; and

5           “(4) land where the purposes of the program  
 6           would be undermined due to on-site or off-site condi-  
 7           tions, such as risk of hazardous substances, pro-  
 8           posed or existing rights of way, infrastructure devel-  
 9           opment, or adjacent land uses.

10          “(b) PRIORITY.—In evaluating applications under the  
 11          program, the Secretary may give priority to land that is  
 12          currently enrolled in the conservation reserve program in  
 13          a contract that is set to expire within 1 year and—

14               “(1) in the case of an agricultural land ease-  
 15               ment, is grassland that would benefit from protec-  
 16               tion under a long-term easement; and

17               “(2) in the case of a wetland easement, is a  
 18               wetland or related area with the highest functions  
 19               and values and is likely to return to production after  
 20               the land leaves the conservation reserve program.

21          “(c) SUBORDINATION, EXCHANGE, MODIFICATION,  
 22          AND TERMINATION.—

23               “(1) IN GENERAL.—The Secretary may subor-  
 24               dinate, exchange, terminate, or modify any interest  
 25               in land, or portion of such interest, administered by

1 the Secretary, either directly or on behalf of the  
2 Commodity Credit Corporation under the program  
3 when the Secretary determines that—

4 “(A) it is in the Federal Government’s in-  
5 terest to subordinate, exchange, modify or ter-  
6 minate the interest in land;

7 “(B) the subordination, exchange, modi-  
8 fication, or termination action—

9 “(i) will address a compelling public  
10 need for which there is no practicable al-  
11 ternative, or

12 “(ii) such action will further the prac-  
13 tical administration of the program; and

14 “(C) the subordination, exchange, modi-  
15 fication, or termination action will result in  
16 comparable conservation value and equivalent  
17 or greater economic value to the United States.

18 “(2) CONSULTATION.—The Secretary shall  
19 work with the owner, and eligible entity if applicable,  
20 to address any subordination, exchange, termination,  
21 or modification of the interest, or portion of such in-  
22 terest in land.

23 “(3) NOTICE.—At least 90 days before taking  
24 any termination action described in paragraph (1),  
25 the Secretary shall provide written notice of such ac-

1       tion to the Committee on Agriculture of the House  
 2       of Representatives and the Committee on Agri-  
 3       culture, Nutrition, and Forestry of the Senate.

4       “(d) LAND ENROLLED IN OTHER PROGRAMS.—

5               “(1) CONSERVATION RESERVE PROGRAM.—The  
 6       Secretary may terminate or modify a contract en-  
 7       tered into under section 1231(a) if eligible land that  
 8       is subject to such contract is transferred into the  
 9       program.

10              “(2) OTHER.—Land enrolled in the wetlands  
 11       reserve program, grassland reserve program, or  
 12       farmland protection program, as such programs  
 13       were in effect on September 30, 2013, shall be con-  
 14       sidered enrolled in this program.

15       “(e) ALLOCATION OF FUNDS FOR AGRICULTURAL  
 16       LAND EASEMENTS.—Of the funds made available under  
 17       section 1241 to carry out the program for a fiscal year,  
 18       the Secretary shall, to the extent practicable, use no less  
 19       than 40 percent for agricultural land easements.”.

20       (b) COMPLIANCE WITH CERTAIN REQUIREMENTS.—

21       Before an eligible entity or owner of eligible land may re-  
 22       ceive assistance under subtitle H of title XII of the Food  
 23       Security Act of 1985, the eligible entity or person shall  
 24       agree, during the crop year for which the assistance is pro-  
 25       vided and in exchange for the assistance—

1           (1) to comply with applicable conservation re-  
 2           quirements under subtitle B of title XII of that Act  
 3           (16 U.S.C. 3811 et seq.); and

4           (2) to comply with applicable wetland protection  
 5           requirements under subtitle C of title XII of that  
 6           Act (16 U.S.C. 3821 et seq.).

7           (c) CROSS REFERENCE.—Section 1244 of the Food  
 8           Security Act of 1985 (16 U.S.C. 3844) is amended—

9           (1) in subsection (c)—

10           (A) in paragraph (1)—

11           (i) by inserting “and” at the end of  
 12           subparagraph (A);

13           (ii) by striking “and” at the end of  
 14           subparagraph (B); and

15           (iii) by striking subparagraph (C);

16           (B) by redesignating paragraph (2) as  
 17           paragraph (3); and

18           (C) by inserting after paragraph (1) the  
 19           following:

20           “(2) the agricultural conservation easement  
 21           program established under subtitle H; and”; and

22           (2) in subsection (f)—

23           (A) in paragraph (1)—

24           (i) in subparagraph (A), by striking  
 25           “programs administered under subchapters



B and C of chapter 1 of subtitle D” and inserting “conservation reserve program established under subchapter B of chapter 1 of subtitle D and the agricultural conservation easement program under subtitle H using wetland easements under section 1265C”; and

(ii) in subparagraph (B), by striking “subchapter C of chapter 1 of subtitle D” and inserting “the agricultural conservation easement program under subtitle H using wetland easements under section 1265C”; and

(B) in paragraph (4), by striking “subchapter C” and inserting “subchapter B”.

## **Subtitle J—Regional Conservation Partnership Program**

### **SEC. 1901. REGIONAL CONSERVATION PARTNERSHIP PROGRAM.**

Title XII of the Food Security Act of 1985 is amended by inserting after subtitle H (as added by section 1801) the following:

1 **“Subtitle I—Regional Conservation**  
2 **Partnership Program**

3 **“SEC. 1271. ESTABLISHMENT AND PURPOSES.**

4 “(a) ESTABLISHMENT.—The Secretary shall estab-  
5 lish a regional conservation partnership program to imple-  
6 ment eligible activities through—

7 “(1) partnership agreements with eligible part-  
8 ners; and

9 “(2) contracts with producers enrolled in a cov-  
10 ered program.

11 “(b) PURPOSES.—The purposes of the program  
12 are—

13 “(1) to combine the purposes and coordinate  
14 the functions of the agricultural water enhancement  
15 program established under section 1240I, the Chesa-  
16 peake Bay watershed program established under sec-  
17 tion 1240Q, the cooperative conservation partnership  
18 initiative established under section 1243, and the  
19 Great Lakes basin program for soil erosion and sedi-  
20 ment control established under section 1240P, as  
21 such sections were in effect on September 30, 2013;

22 “(2) to enhance priority resource concerns on  
23 agricultural and nonindustrial private forest lands,  
24 including ground and surface water associated with  
25 such lands;

1           “(3) to encourage cooperation among partners  
2           and producers to—

3                   “(A) address priority resource concerns in-  
4                   volving agricultural and nonindustrial private  
5                   forest lands on a local, State, multi-state, or re-  
6                   gional level;

7                   “(B) encourage producers to cooperate in  
8                   achieving the goals of applicable Federal, State,  
9                   and local natural resource and environmental  
10                  laws, thereby avoiding the need for additional  
11                  regulatory measures to be applied to owners  
12                  and operators of agricultural and nonindustrial  
13                  private forest land;

14                  “(C) encourage producers to cooperate in  
15                  the installation and maintenance of conserva-  
16                  tion activities, practices, systems, and manage-  
17                  ment measures that affect multiple agricultural  
18                  or nonindustrial private forest operations for  
19                  the purpose of achieving landscape-level im-  
20                  provement of priority resource concerns;

21                  “(D) promote the development and dem-  
22                  onstration of innovative conservation activities,  
23                  practices, systems, and management measures  
24                  to deliver technical, financial, and educational  
25                  assistance; and

1           “(E) promote ground and surface water  
2           conservation and improve water quality through  
3           efforts on agricultural land, including—

4                   “(i) water quality or water conserva-  
5                   tion planning, including resource condition  
6                   assessment and modeling;

7                   “(ii) performance measurement and  
8                   management to reduce nutrient loss;

9                   “(iii) water quality or water conserva-  
10                  tion restoration or enhancement projects;

11                  “(iv) in the case of nutrient-impacted  
12                  watersheds, prioritization of nutrient loss  
13                  reduction as a conservation goal;

14                  “(v) activities designed to mitigate the  
15                  effects of damaging drought or precipita-  
16                  tion; or

17                  “(vi) related activities that the Sec-  
18                  retary determines will help achieve water  
19                  quality or water conservation benefits on  
20                  agricultural land;

21           “(4) to encourage producers to cooperate in the  
22           installation and maintenance of conservation activi-  
23           ties, practices, systems, and management measures  
24           that provide climate change benefits, including in-  
25           creasing resilience to rising temperatures, extreme

1 weather events, and related climate changes while  
 2 reducing greenhouse gas emissions;

3 “(5) to improve the capacity of regional, state  
 4 or local partners to deliver assistance to producers  
 5 that is effective in addressing priority resource con-  
 6 cerns; and

7 “(6) to implement the partnership in such a  
 8 way that encourages producers to achieve assessed  
 9 conservation outcomes and allows them to receive  
 10 payments and technical assistance linked to levels of  
 11 those outcomes.

12 **“SEC. 1271A. DEFINITIONS.**

13 “In this subtitle:

14 “(1) COVERED PROGRAMS.—The term ‘covered  
 15 programs’ means all conservation programs under  
 16 subtitle D.

17 “(2) ELIGIBLE ACTIVITY.—The term ‘eligible  
 18 activity’ means any of the following conservation ac-  
 19 tivities when delivered through a covered program:

20 “(A) Water quality restoration or enhance-  
 21 ment projects, including nutrient management  
 22 and sediment reduction.

23 “(B) Water quantity conservation, restora-  
 24 tion, or enhancement projects relating to sur-

1 face water and groundwater resources, includ-  
 2 ing—

3 “(i) the conversion of irrigated crop-  
 4 land to the production of less water-inten-  
 5 sive agricultural commodities or dryland  
 6 farming; and

7 “(ii) irrigation system improvement  
 8 and irrigation efficiency enhancement.

9 “(C) Drought mitigation.

10 “(D) Flood prevention.

11 “(E) Water retention.

12 “(F) Habitat conservation, restoration,  
 13 and enhancement.

14 “(G) Erosion control.

15 “(H) Other related activities that the Sec-  
 16 retary determines will help achieve conservation  
 17 benefits.

18 “(3) ELIGIBLE PARTNER.—The term ‘eligible  
 19 partner’ means any of the following:

20 “(A) An agricultural or silvicultural pro-  
 21 ducer association or other group of producers.

22 “(B) A State or unit of local government.

23 “(C) An Indian tribe.

24 “(D) A farmer cooperative.

25 “(E) An institution of higher education.

1           “(F) A nongovernmental organization with  
 2           an established history of working cooperatively  
 3           with producers to effectively address priority re-  
 4           source concerns related to agricultural produc-  
 5           tion and nonindustrial private forest land or  
 6           with demonstrated technical capabilities that  
 7           would substantially increase the success of the  
 8           program.

9           “(4) PARTNERSHIP AGREEMENT.—The term  
 10          ‘partnership agreement’ means an agreement be-  
 11          tween the Secretary and an eligible partner.

12          “(5) PROGRAM.—The term ‘program’ means  
 13          the regional conservation partnership program estab-  
 14          lished by this subtitle.

15   **“SEC. 1271B. REGIONAL CONSERVATION PARTNERSHIPS.**

16          “(a) PARTNERSHIP AGREEMENTS AUTHORIZED.—  
 17          The Secretary may enter into a partnership agreement  
 18          with an eligible partner to implement a project that will  
 19          assist producers with installing and maintaining an eligi-  
 20          ble activity.

21          “(b) LENGTH.—A partnership agreement shall be for  
 22          a period not to exceed 5 years, except that the Secretary  
 23          may extend the agreement 1 time for up to 12 months  
 24          when an extension is necessary to meet the objectives of  
 25          the program.

1 “(c) DUTIES OF PARTNERS.—

2 “(1) IN GENERAL.—Under a partnership agree-  
3 ment, the eligible partner shall—

4 “(A) define the scope of a project, includ-  
5 ing—

6 “(i) the eligible activities to be imple-  
7 mented;

8 “(ii) the potential agricultural or non-  
9 industrial private forest operations af-  
10 fected;

11 “(iii) the local, State, multi-State, or  
12 other geographic area covered; and

13 “(iv) the planning, outreach, imple-  
14 mentation, and assessment to be con-  
15 ducted;

16 “(B) conduct outreach and education to  
17 producers for potential participation in the  
18 project;

19 “(C) at the request of a producer, act on  
20 behalf of a producer participating in the project  
21 in applying for assistance under section 1271C;

22 “(D) leverage financial or technical assist-  
23 ance provided by the Secretary with additional  
24 funds to help achieve the project objectives;



1           “(E) if proposed by the partner and ap-  
2           proved by the Secretary, provide technical as-  
3           sistance to producers participating in the  
4           project;

5           “(F) conduct an assessment of the  
6           project’s effects; and

7           “(G) at the conclusion of the project, re-  
8           port to the Secretary on its results and funds  
9           leveraged.

10          “(2) CONTRIBUTION.—A partner shall provide  
11          a significant portion of the overall costs of the scope  
12          of the project, as determined by the Secretary.

13          “(d) APPLICATIONS.—

14               “(1) COMPETITIVE PROCESS.—The Secretary  
15               shall conduct a competitive process to select applica-  
16               tions for partnership agreements and may assess  
17               and rank applications with similar conservation pur-  
18               poses as a group.

19               “(2) CRITERIA USED.—In carrying out the  
20               process described in paragraph (1), the Secretary  
21               shall make public the criteria used in evaluating ap-  
22               plications.

23               “(3) CONTENT.—An application to the Sec-  
24               retary shall include a description of—

1           “(A) the scope of the project, as described  
2           in subsection (c)(1)(A);

3           “(B) the plan for monitoring, evaluating,  
4           and reporting on progress made towards achiev-  
5           ing the project’s objectives;

6           “(C) the program resources requested for  
7           the project, including the covered programs to  
8           be used and estimated funding needed from the  
9           Secretary;

10          “(D) the resources requested under section  
11          1271C(c)(4);

12          “(E) the partners collaborating to achieve  
13          project objectives, including their roles, respon-  
14          sibilities, capabilities, and financial contribu-  
15          tion; and

16          “(F) any other elements the Secretary con-  
17          siders necessary to adequately evaluate and  
18          competitively select applications for funding  
19          under the program.

20          “(4) APPLICATION PRIORITY.—The Secretary  
21          shall give a higher priority to applications that dem-  
22          onstrate the greatest potential to—

23                 “(A) have a high percentage of producers  
24                 involved and of the agricultural or nonindustrial

1 private forest land included in the area covered  
2 by the agreement;

3 “(B) assist producers in meeting the goals  
4 and objectives of Federal environmental and  
5 natural resource laws and regulations;

6 “(C) significantly leverage non-Federal fi-  
7 nancial and technical resources and coordinate  
8 with other local, State, regional, or national ef-  
9 forts;

10 “(D) deliver high percentages of applied  
11 conservation to address water quality, water  
12 conservation, or other State, regional, or na-  
13 tional priority resource concerns;

14 “(E) provide innovation in conservation  
15 methods and delivery, including outcome-based  
16 performance measures and methods;

17 “(F) identify producers participating in the  
18 project, on whose behalf the partner is apply-  
19 ing;

20 “(G) advance conservation and rural com-  
21 munity development goals simultaneously;

22 “(H) assist producers in States with sig-  
23 nificant water quantity concerns; or

1 “(I) meet other factors that are important  
 2 for achieving the purposes of the program, as  
 3 determined by the Secretary.

4 **“SEC. 1271C. ASSISTANCE TO PRODUCERS.**

5 “(a) IN GENERAL.—The Secretary shall enter into  
 6 contracts to provide financial and technical assistance  
 7 to—

8 “(1) producers participating in an eligible activ-  
 9 ity with an eligible partner; or

10 “(2) producers participating in an eligible activ-  
 11 ity in a critical conservation area designated under  
 12 section 1271F without an eligible partner.

13 “(b) TERMS AND CONDITIONS.—

14 “(1) COMPLIANCE WITH COVERED PROGRAM  
 15 RULES.—

16 “(A) IN GENERAL.—Except as provided in  
 17 subparagraph (B), the Secretary shall ensure  
 18 that the terms and conditions of a contract  
 19 under this section are consistent with the appli-  
 20 cable rules of the covered programs to be used  
 21 as part of the project, as described in the appli-  
 22 cation under section 1271B(d)(3)(C).

23 “(B) ADJUSTMENTS.—Except for statu-  
 24 tory program requirements governing appeals,  
 25 payment limitations, and conservation compli-

1           ance, the Secretary may adjust the discre-  
 2           tionary program rules of a covered program—

3                   “(i) to provide a simplified application  
 4                   and evaluation process;

5                   “(ii) to better reflect unique local cir-  
 6                   cumstances and purposes if the Secretary  
 7                   determines such adjustments are necessary  
 8                   to achieve the purposes of the proposed  
 9                   project;

10                  “(iii) to better link technical and fi-  
 11                  nancial assistance to assessed conservation  
 12                  outcomes; and

13                  “(iv) to increase the improvement in  
 14                  priority resource concerns achieved by the  
 15                  proposed project.

16           “(2)    ALTERNATIVE    FUNDING    ARRANGE-  
 17   MENTS.—

18                  “(A) IN GENERAL.—For the purposes of  
 19                  providing assistance for a critical conservation  
 20                  areas designated under section 1271F, the Sec-  
 21                  retary may enter into alternative funding ar-  
 22                  rangements with a multistate water resource  
 23                  agency or authority if—

24                   “(i) the Secretary determines that the  
 25                   goals and objectives of the program will be

1 met by the alternative funding arrange-  
2 ments;

3 “(ii) the agency or authority certifies  
4 that the limitations established under this  
5 section on agreements with individual pro-  
6 ducers will not be exceeded; and

7 “(iii) all participating producers meet  
8 applicable payment eligibility provisions.

9 “(B) CONDITIONS.—As a condition on re-  
10 ceipt of funding under subparagraph (A), the  
11 multistate water resource agency or authority  
12 shall agree—

13 “(i) to submit an annual independent  
14 audit to the Secretary that describes the  
15 use of funds under this paragraph;

16 “(ii) to provide any data necessary for  
17 the Secretary to issue a report on the use  
18 of funds under this paragraph; and

19 “(iii) not to use any funds for admin-  
20 istration or contracting with another enti-  
21 ty.

22 “(C) LIMITATION.—The Secretary may  
23 enter into not more than 10 alternative funding  
24 arrangements under this paragraph.

25 “(c) PAYMENTS.—

1           “(1) IN GENERAL.—In accordance with statu-  
 2           tory requirements of the covered programs involved,  
 3           the Secretary may make payments to a producer in  
 4           an amount determined by the Secretary to be nec-  
 5           essary to achieve the purposes of the program.

6           “(2) PAYMENTS TO CERTAIN PRODUCERS.—The  
 7           Secretary may provide payments for a period of 5  
 8           years—

9                   “(A) to producers participating in a  
 10                  project that addresses water quantity concerns  
 11                  and in an amount sufficient to encourage con-  
 12                  version from irrigated to dryland farming; and

13                  “(B) to producers participating in a  
 14                  project that addresses water quality concerns  
 15                  and in an amount sufficient to encourage adop-  
 16                  tion of conservation practices and systems that  
 17                  improve nutrient management.

18           “(3) WAIVER AUTHORITY.—To assist in the im-  
 19           plementation of the program, the Secretary may  
 20           waive the applicability of the limitation in section  
 21           1001D(b)(2) of this Act for participating producers  
 22           if the Secretary determines that the waiver is nec-  
 23           essary to fulfill the objectives of the program.

24           “(4) PAYMENTS TO PARTNERS.—The Secretary  
 25           shall provide, directly or through cooperative and

1 contribution agreements with partners, financial as-  
2 sistance to such partners to complete tasks essential  
3 to the success of the project which may include nat-  
4 ural resource assessment and planning, outreach to  
5 producers, monitoring, technical assistance, and  
6 evaluation of project progress and other such essen-  
7 tial tasks as determined by the Secretary.

8 **“SEC. 1271D. FUNDING.**

9 “(a) AVAILABILITY OF FUNDS.—The Secretary shall  
10 use \$100,000,000 of the funds of the Commodity Credit  
11 Corporation for each of fiscal years 2014 through 2018  
12 to carry out the program established under this subtitle.

13 “(b) DURATION OF AVAILABILITY.—Funds made  
14 available under subsection (a) shall remain available until  
15 expended.

16 “(c) ADDITIONAL FUNDING AND ACRES.—

17 “(1) IN GENERAL.—In addition to the funds  
18 made available under subsection (a), the Secretary  
19 shall reserve at least 8 percent of the funds and  
20 acres made available for a covered program for each  
21 of fiscal years 2014 through 2018 in order to ensure  
22 additional resources are available to provide tech-  
23 nical and financial assistance to producers to carry  
24 out this program.



1           “(2) ASSISTANCE TO PARTNERS.—The Sec-  
 2       retary shall reserve at least 10 percent of the fund-  
 3       ing provided in subsection (a) to provide payments  
 4       to partners.

5           “(3) UNUSED FUNDS AND ACRES.—

6               “(A) RETURN.—Any funds or acres re-  
 7       served under paragraph (1) of this section for  
 8       a fiscal year from a covered program that are  
 9       not obligated under this program by April 1 of  
 10      that fiscal year shall be returned for use under  
 11      the covered program or redirected to support  
 12      unfunded applications within the geographic  
 13      areas of approved partnership agreements.

14           “(B) REALLOCATION.—Any funds reserved  
 15      under paragraph (2) of this section for a fiscal  
 16      year that are not obligated under this program  
 17      by April 1 of that fiscal year shall be reallo-  
 18      cated to partners demonstrating the highest  
 19      level of performance in achieving the objectives  
 20      of the program.

21           “(d) ALLOCATION OF FUNDING.—Of the funds and  
 22      acres made available for the program under subsections  
 23      (a) and (c), the Secretary shall allocate—

24               “(1) 40 percent of the funds and acres to  
 25      projects based on a State competitive process admin-

1       istered by the State conservationist, with the advice  
2       of the State technical committee; and

3               “(2) 60 percent of the funds and acres to  
4       projects based on a national competitive process to  
5       be established by the Secretary, of which 60 percent  
6       shall be reserved for the critical conservation areas  
7       designated under section 1271F.

8       **“SEC. 1271E. ADMINISTRATION.**

9               “(a) DISCLOSURE.—The Secretary shall make pub-  
10      licly available information on projects selected through the  
11      competitive process described in section 1271B(d)(1).

12              “(b) REPORTING.—Not later than December 31,  
13      2013, and every 2 years thereafter, the Secretary shall  
14      submit to the Committee on Agriculture of the House of  
15      Representatives and the Committee on Agriculture, Nutri-  
16      tion, and Forestry of the Senate a report on the status  
17      of projects funded under the program, including—

18                      “(1) the number and types of partners and pro-  
19      ducers participating in the partnership agreements  
20      selected;

21                      “(2) the number of producers receiving assist-  
22      ance;

23                      “(3) total funding committed to projects, in-  
24      cluding Federal and non-Federal resources; and

1           “(4) a description of how funds are being ad-  
2 ministered under section 1271B, including—

3           “(A) any oversight mechanisms that the  
4 Secretary has implemented;

5           “(B) the process through which the Sec-  
6 retary is resolving appeals by program partici-  
7 pants; and

8           “(C) the means by which the Secretary is  
9 tracking adherence to any applicable provisions  
10 for payment eligibility.

11       “(c) EVALUATION.—Partners shall provide to the  
12 Secretary—

13           “(1) annual performance reports;

14           “(2) at the end of each multi-year project, a  
15 performance report that describes—

16           “(A) the progress that has been made to-  
17 wards attainment of conservation objectives and  
18 landscape-scale conservation outcomes;

19           “(B) the methods that have been used to  
20 measure progress being made toward attain-  
21 ment of conservation objectives and landscape-  
22 scale conservation outcomes;

23           “(C) the number of producers who partici-  
24 pated; and

1                   “(D) the conservation practices adopted  
2                   and the frequency of adoption.

3   **“SEC. 1271F. CRITICAL CONSERVATION AREAS.**

4           “(a) IN GENERAL.—When administering the funding  
5 reserved for critical conservation areas under section  
6 1271D(d)(2), the Secretary shall select applications for  
7 partnership agreements and producer contracts within  
8 critical conservation areas designated under this section.

9           “(b) CRITICAL CONSERVATION AREA DESIGNA-  
10 TIONS.—

11           “(1) IN GENERAL.—The Secretary shall des-  
12 ignate up to 6 geographical areas as critical con-  
13 servation areas based on the degree to which an  
14 area—

15                   “(A) includes multiple States with signifi-  
16 cant agricultural production;

17                   “(B) is covered by an existing regional,  
18 State, binational, or multistate agreement or  
19 plan that has established objectives, goals, and  
20 work plans and is adopted by a Federal, State,  
21 or regional authority;

22                   “(C) has water quality concerns, including  
23 concerns for reducing erosion, promoting sedi-  
24 ment control, and addressing nutrient manage-

1           ment activities affecting large bodies of water of  
2           regional, national, or international significance;

3           “(D) has water quantity concerns, includ-  
4           ing—

5                   “(i) concerns for groundwater, surface  
6           water, aquifer, or other water sources; or

7                   “(ii) a need to promote water reten-  
8           tion and flood prevention;

9           “(E) is subject to regulatory requirements  
10          that could reduce the economic scope of agricul-  
11          tural operations within the area; or

12          “(F) is recognized as vital habitat for mi-  
13          grating wildlife.

14          “(2) EXPIRATION.—Critical conservation area  
15          designations under this section shall expire after 5  
16          years, subject to redesignation, except that the Sec-  
17          retary may withdraw designation from an area if the  
18          Secretary finds the area no longer meets the condi-  
19          tions described in paragraph (1).

20          “(c) ADMINISTRATION.—

21               “(1) IN GENERAL.—Except as provided in para-  
22          graph (2), the Secretary shall administer any part-  
23          nership agreement or producer contract under this  
24          section in a manner that is consistent with the terms  
25          of the program.

1           “(2) RELATIONSHIP TO EXISTING ACTIVITY.—  
 2           The Secretary shall, to the maximum extent prac-  
 3           ticable, ensure that eligible activities carried out in  
 4           critical conservation areas designated under this sec-  
 5           tion complement and are consistent with other Fed-  
 6           eral and State programs and water quality and  
 7           quantity strategies.”.

## 8   **TITLE II—CROP INSURANCE AND** 9           **DISASTER ASSISTANCE**

### 10 **SEC. 2001. INELIGIBILITY FOR FEDERAL CROP INSURANCE,** 11                   **NONINSURED CROP DISASTER ASSISTANCE,** 12                   **AND CERTAIN PAYMENTS BECAUSE OF CROP** 13                   **PRODUCTION ON NATIVE SOD.**

14           (a) FEDERAL CROP INSURANCE ACT AMENDMENT.—  
 15           Section 508(o) of the Federal Crop Insurance Act (7  
 16           U.S.C. 1508(o)) is amended—

17                   (1) in paragraph (1)(B), by inserting “, or the  
 18                   producer cannot substantiate that the ground has  
 19                   ever been tilled,” after “tilled”;

20                   (2) in paragraph (2)(A), by striking “for bene-  
 21                   fits under—” and all that follows through the period  
 22                   at the end and inserting “for—

23                               “(i) a portion of crop insurance pre-  
 24                               mium subsidies under this subtitle in ac-  
 25                               cordance with paragraph (3);

1 “(ii) benefits under section 196 of the  
 2 Federal Agriculture Improvement and Re-  
 3 form Act of 1996 (7 U.S.C. 7333); and

4 “(iii) payments described in sub-  
 5 section (b) of section 1001 of the Food Se-  
 6 curity Act of 1985 (7 U.S.C. 1308).”; and

7 (3) by striking paragraph (3) and inserting the  
 8 following new paragraphs:

9 “(3) ADMINISTRATION.—

10 “(A) IN GENERAL.—During the first 4  
 11 crop years of planting on native sod acreage by  
 12 a producer described in paragraph (2)—

13 “(i) paragraph (2) shall apply to 65  
 14 percent of the transitional yield of the pro-  
 15 ducer; and

16 “(ii) the crop insurance premium sub-  
 17 sidy provided for the producer under this  
 18 subtitle shall be 50 percentage points less  
 19 than the premium subsidy that would oth-  
 20 erwise apply.

21 “(B) YIELD SUBSTITUTION.—During the  
 22 period native sod acreage is covered by this sub-  
 23 section, a producer may not substitute yields  
 24 for the native sod acreage.”.

1 (b) NONINSURED CROP DISASTER ASSISTANCE  
 2 AMENDMENT.—Section 196(a)(4) of the Federal Agri-  
 3 culture Improvement and Reform Act of 1996 (7 U.S.C.  
 4 7333(a)(4)) is amended—

5 (1) in subparagraph (A)(ii), by inserting “, or  
 6 the producer cannot substantiate that the ground  
 7 has ever been tilled,” after “tilled”;

8 (2) in subparagraph (B)—

9 (A) in the subparagraph heading, by strik-  
 10 ing “INELIGIBILITY” and inserting “REDUC-  
 11 TION IN”; and

12 (B) in clause (i), by striking “for benefits  
 13 under—” and all that follows through the pe-  
 14 riod at the end and inserting “for—

15 “(I) benefits under this section;

16 “(II) a portion of crop insurance  
 17 premium subsidies under the Federal  
 18 Crop Insurance Act (7 U.S.C. 1501 et  
 19 seq.) in accordance with subparagraph  
 20 (C); and

21 “(III) payments described in sub-  
 22 section (b) of section 1001 of the  
 23 Food Security Act of 1985 (7 U.S.C.  
 24 1308).”; and



1           (3) by striking subparagraph (C) and inserting  
2           the following new subparagraphs:

3                   “(C) ADMINISTRATION.—

4                           “(i) IN GENERAL.—During the first 4  
5                           crop years of planting on native sod acre-  
6                           age by a producer described in subpara-  
7                           graph (B)—

8                                   “(I) subparagraph (B) shall  
9                                   apply to 65 percent of the transitional  
10                                  yield of the producer; and

11                                   “(II) the crop insurance premium  
12                                  subsidy provided for the producer  
13                                  under the Federal Crop Insurance Act  
14                                  (7 U.S.C. 1501 et seq.) shall be 50  
15                                  percentage points less than the pre-  
16                                  mium subsidy that would otherwise  
17                                  apply.

18                           “(ii) YIELD SUBSTITUTION.—During  
19                           the period native sod acreage is covered by  
20                           this paragraph, a producer may not sub-  
21                           stitute yields for the native sod acreage.”.

1 **TITLE III—REPEALS AND TRAN-**  
 2 **SITIONAL PROVISIONS; TECH-**  
 3 **NICAL AND CONFORMING**  
 4 **AMENDMENTS; EFFECTIVE**  
 5 **DATE**

6 **SEC. 3001. REPEALS AND TRANSITIONAL PROVISIONS.**

7 (a) EMERGENCY FORESTRY CONSERVATION RE-  
 8 SERVE PROGRAM.—

9 (1) REPEAL.—Section 1231A of the Food Secu-  
 10 rity Act of 1985 (16 U.S.C. 3831a) is repealed.

11 (2) TRANSITIONAL PROVISIONS.—

12 (A) EFFECT ON EXISTING CONTRACTS.—

13 The amendment made by this subsection shall  
 14 not affect the validity or terms of any contract  
 15 entered into by the Secretary of Agriculture  
 16 under section 1231A of the Food Security Act  
 17 of 1985 (16 U.S.C. 3831a) before October 1,  
 18 2013, or any payments required to be made in  
 19 connection with the contract.

20 (B) FUNDING.—The Secretary may use  
 21 funds made available to carry out the agricul-  
 22 tural conservation easement program under  
 23 subtitle H of title XII of the Food Security Act  
 24 of 1985, as added by section 1801 of this Act,  
 25 to continue to carry out contracts referred to in

1           subparagraph (A) using the provisions of law  
2           and regulation applicable to such contracts as  
3           in existence on September 30, 2013.

4       (b) WETLANDS RESERVE PROGRAM.—

5           (1) REPEAL.—Subchapter C of chapter 1 of  
6           subtitle D of title XII of the Food Security Act of  
7           1985 (16 U.S.C. 3837 et seq.) is repealed.

8           (2) TRANSITIONAL PROVISIONS.—

9           (A) EFFECT ON EXISTING CONTRACTS AND  
10          EASEMENTS.—The amendment made by this  
11          subsection shall not affect the validity or terms  
12          of any contract or easement entered into by the  
13          Secretary of Agriculture under subchapter C of  
14          chapter 1 of subtitle D of title XII of the Food  
15          Security Act of 1985 (16 U.S.C. 3837 et seq.)  
16          before October 1, 2013, or any payments re-  
17          quired to be made in connection with the con-  
18          tract or easement.

19          (B) FUNDING.—

20               (i) USE OF PRIOR YEAR FUNDS.—

21          Notwithstanding the repeal of subchapter  
22          C of chapter 1 of subtitle D of title XII of  
23          the Food Security Act of 1985 (16 U.S.C.  
24          3837 et seq.), any funds made available  
25          from the Commodity Credit Corporation to

1 carry out the wetlands reserve program  
2 under that subchapter for fiscal years  
3 2009 through 2013 shall be made available  
4 to carry out contracts or easements re-  
5 ferred to in subparagraph (A) that were  
6 entered into prior to October 1, 2013 (in-  
7 cluding the provision of technical assist-  
8 ance), provided that no such contract or  
9 easement is modified so as to increase the  
10 amount of the payment received.

11 (ii) OTHER.—The Secretary may use  
12 funds made available to carry out the agri-  
13 cultural conservation easement program  
14 under subtitle H of title XII of the Food  
15 Security Act of 1985, as added by section  
16 1801 of this Act, to continue to carry out  
17 contracts and easements referred to in  
18 subparagraph (A) using the provisions of  
19 law and regulation applicable to such con-  
20 tracts and easements as in existence on  
21 September 30, 2013.

22 (c) FARMLAND PROTECTION PROGRAM AND FARM  
23 VIABILITY PROGRAM.—

1           (1) REPEAL.—Subchapter C of chapter 2 of  
2 subtitle D of title XII of the Food Security Act of  
3 1985 (16 U.S.C. 3838h et seq.) is repealed.

4           (2) TRANSITIONAL PROVISIONS.—

5           (A) EFFECT ON EXISTING AGREEMENTS  
6 AND EASEMENTS.—The amendment made by  
7 this subsection shall not affect the validity or  
8 terms of any agreement or easement entered  
9 into by the Secretary of Agriculture under sub-  
10 chapter C of chapter 2 of subtitle D of title XII  
11 of the Food Security Act of 1985 (16 U.S.C.  
12 3838h et seq.) before October 1, 2013, or any  
13 payments required to be made in connection  
14 with the agreement or easement.

15          (B) FUNDING.—

16           (i) USE OF PRIOR YEAR FUNDS.—  
17 Notwithstanding the repeal of subchapter  
18 C of chapter 2 of subtitle D of title XII of  
19 the Food Security Act of 1985 (16 U.S.C.  
20 3838h et seq.), any funds made available  
21 from the Commodity Credit Corporation to  
22 carry out the farmland protection program  
23 under that subchapter for fiscal years  
24 2009 through 2013 shall be made available  
25 to carry out agreements and easements re-

ferred to in subparagraph (A) that were entered into prior to October 1, 2013 (including the provision of technical assistance).

(ii) OTHER.—On exhaustion of funds made available under clause (i), the Secretary may use funds made available to carry out the agricultural conservation easement program under subtitle H of title XII of the Food Security Act of 1985, as added by section 1801 of this Act, to continue to carry out agreements and easements referred to in subparagraph (A) using the provisions of law and regulation applicable to such agreements and easements as in existence on September 30, 2013.

(d) GRASSLAND RESERVE PROGRAM.—

(1) REPEAL.—Subchapter D of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838n et seq.) is repealed.

(2) TRANSITIONAL PROVISIONS.—

(A) EFFECT ON EXISTING CONTRACTS, AGREEMENTS, AND EASEMENTS.—The amendment made by this subsection shall not affect

1 the validity or terms of any contract, agree-  
2 ment, or easement entered into by the Secretary  
3 of Agriculture under subchapter D of chapter 2  
4 of subtitle D of title XII of the Food Security  
5 Act of 1985 (16 U.S.C. 3838n et seq.) before  
6 October 1, 2013, or any payments required to  
7 be made in connection with the contract, agree-  
8 ment, or easement.

9 (B) FUNDING.—

10 (i) USE OF PRIOR YEAR FUNDS.—  
11 Notwithstanding the repeal of subchapter  
12 D of chapter 2 of subtitle D of title XII  
13 of the Food Security Act of 1985 (16  
14 U.S.C. 3838n et seq.), any funds made  
15 available from the Commodity Credit Cor-  
16 poration to carry out the grassland reserve  
17 program under that subchapter for fiscal  
18 years 2009 through 2013 shall be made  
19 available to carry out contracts, agree-  
20 ments, or easements referred to in sub-  
21 paragraph (A) that were entered into prior  
22 to October 1, 2013 (including the provision  
23 of technical assistance), provided that no  
24 such contract, agreement, or easement is

1 modified so as to increase the amount of  
2 the payment received.

3 (ii) OTHER.—The Secretary may use  
4 funds made available to carry out the agri-  
5 cultural conservation easement program  
6 under subtitle H of title XII of the Food  
7 Security Act of 1985, as added by section  
8 1801 of this Act, to continue to carry out  
9 contracts, agreements, and easements re-  
10 ferred to in subparagraph (A) using the  
11 provisions of law and regulation applicable  
12 to such contracts, agreements, and ease-  
13 ments as in existence on September 30,  
14 2013.

15 (e) ENVIRONMENTAL EASEMENT PROGRAM.—Chap-  
16 ter 3 of subtitle D of title XII of the Food Security Act  
17 of 1985 (16 U.S.C. 3839 et seq.) is repealed.

18 (f) CONSERVATION INNOVATION GRANTS AND PAY-  
19 MENTS.—

20 (1) REPEAL.—Section 1240H of the Food Se-  
21 curity Act of 1985 (16 U.S.C. 3839aa–8) is re-  
22 pealed.

23 (2) TRANSITIONAL PROVISIONS.—

24 (A) EFFECT ON EXISTING CONTRACTS.—

25 The amendment made by this subsection shall



not affect the validity or terms of any contract entered into by the Secretary of Agriculture under section 1240H of the Food Security Act of 1985 (16 U.S.C. 3839aa–8) before October 1, 2013, or any payments required to be made in connection with the contract.

(B) FUNDING.—The Secretary may use funds made available to carry out conservation innovation grants and payments under section 1240S of title XII of the Food Security Act of 1985, as added by section 1601 of this Act, to continue to carry out contracts referred to in subparagraph (A) using the provisions of law and regulation applicable to such contracts as they existed on September 30, 2013.

(g) AGRICULTURAL WATER ENHANCEMENT PROGRAM.—

(1) REPEAL.—Section 1240I of the Food Security Act of 1985 (16 U.S.C. 3839aa–9) is repealed.

(2) TRANSITIONAL PROVISIONS.—

(A) EFFECT ON EXISTING CONTRACTS AND AGREEMENTS.—The amendment made by this subsection shall not affect the validity or terms of any contract or agreement entered into by the Secretary of Agriculture under section

1           1240I of the Food Security Act of 1985 (16  
2           U.S.C. 3839aa–9) before October 1, 2013, or  
3           any payments required to be made in connec-  
4           tion with the contract or agreement.

5           (B) FUNDING.—

6           (i) USE OF PRIOR YEAR FUNDS.—

7           Notwithstanding the repeal of section  
8           1240I of the Food Security Act of 1985  
9           (16 U.S.C. 3839aa–9), any funds made  
10          available from the Commodity Credit Cor-  
11          poration to carry out the agricultural  
12          water enhancement program under that  
13          section for fiscal years 2009 through 2013  
14          shall be made available to carry out con-  
15          tracts and agreements referred to in sub-  
16          paragraph (A) that were entered into prior  
17          to October 1, 2013 (including the provision  
18          of technical assistance).

19          (ii) OTHER.—On exhaustion of funds  
20          made available under clause (i), the Sec-  
21          retary may use funds made available to  
22          carry out the agricultural conservation  
23          easement program under subtitle H of title  
24          XII of the Food Security Act of 1985, as  
25          added by section 1801 of this Act, to con-

1           tinue to carry out contracts and agree-  
2           ments referred to in subparagraph (A)  
3           using the provisions of law and regulation  
4           applicable to such contracts and agree-  
5           ments as in existence on September 30,  
6           2013.

7           (h) WILDLIFE HABITAT INCENTIVE PROGRAM.—

8           (1) REPEAL.—Section 1240N of the Food Se-  
9           curity Act of 1985 (16 U.S.C. 3839bb–1) is re-  
10          pealed.

11          (2) TRANSITIONAL PROVISIONS.—

12           (A) EFFECT ON EXISTING CONTRACTS.—

13          The amendment made by this subsection shall  
14          not affect the validity or terms of any contract  
15          entered into by the Secretary of Agriculture  
16          under section 1240N of the Food Security Act  
17          of 1985 (16 U.S.C. 3839bb–1) before October  
18          1, 2013, or any payments required to be made  
19          in connection with the contract.

20           (B) FUNDING.—

21           (i) USE OF PRIOR YEAR FUNDS.—

22          Notwithstanding the repeal of section  
23          1240N of the Food Security Act of 1985  
24          (16 U.S.C. 3839bb–1), any funds made  
25          available from the Commodity Credit Cor-

1           poration to carry out the wildlife habitat  
2           incentive program under that section for  
3           fiscal years 2009 through 2013 shall be  
4           made available to carry out contracts re-  
5           ferred to in subparagraph (A) which were  
6           entered into prior to October 1, 2013 (in-  
7           cluding the provision of technical assist-  
8           ance).

9           (ii) OTHER.—On exhaustion of funds  
10          made available under clause (i), the Sec-  
11          retary may use funds made available to  
12          carry out the environmental quality incen-  
13          tives program under chapter 4 of subtitle  
14          D of title XII of the Food Security Act of  
15          1985 (16 U.S.C. 3839aa et seq.) to con-  
16          tinue to carry out contracts referred to in  
17          subparagraph (A) using the provisions of  
18          law and regulation applicable to such con-  
19          tracts as in existence on September 30,  
20          2013.

21          (i) GREAT LAKES BASIN PROGRAM.—Section 1240P  
22          of the Food Security Act of 1985 (16 U.S.C. 3839bb–3)  
23          is repealed.

24          (j) CHESAPEAKE BAY WATERSHED PROGRAM.—

1           (1) REPEAL.—Section 1240Q of the Food Se-  
2       curity Act of 1985 (16 U.S.C. 3839bb–4) is re-  
3       pealed.

4           (2) TRANSITIONAL PROVISIONS.—

5               (A) EFFECT ON EXISTING CONTRACTS,  
6       AGREEMENTS, AND EASEMENTS.—The amend-  
7       ment made by this subsection shall not affect  
8       the validity or terms of any contract, agree-  
9       ment, or easement entered into by the Secretary  
10      of Agriculture under section 1240Q of the Food  
11      Security Act of 1985 (16 U.S.C. 3839bb–4) be-  
12      fore October 1, 2013, or any payments required  
13      to be made in connection with the contract,  
14      agreement, or easement.

15          (B) FUNDING.—

16               (i) USE OF PRIOR YEAR FUNDS.—  
17      Notwithstanding the repeal of section  
18      1240Q of the Food Security Act of 1985  
19      (16 U.S.C. 3839bb–4), any funds made  
20      available from the Commodity Credit Cor-  
21      poration to carry out the Chesapeake Bay  
22      watershed program under that section for  
23      fiscal years 2009 through 2013 shall be  
24      made available to carry out contracts,  
25      agreements, and easements referred to in

1           subparagraph (A) that were entered into  
2           prior to October 1, 2013 (including the  
3           provision of technical assistance).

4           (ii) OTHER.—The Secretary may use  
5           funds made available to carry out the re-  
6           gional conservation partnership program  
7           under subtitle I of title XII of the Food  
8           Security Act of 1985, as added by section  
9           1901 of this Act, to continue to carry out  
10          contracts, agreements, and easements re-  
11          ferred to in subparagraph (A) using the  
12          provisions of law and regulation applicable  
13          to such contracts, agreements, and ease-  
14          ments as in existence on September 30,  
15          2013.

16       (k) COOPERATIVE CONSERVATION PARTNERSHIP  
17 INITIATIVE.—

18           (1) REPEAL.—Section 1243 of the Food Secu-  
19          rity Act of 1985 (16 U.S.C. 3843) is repealed.

20           (2) TRANSITIONAL PROVISIONS.—

21           (A) EFFECT ON EXISTING CONTRACTS AND  
22          AGREEMENTS.—The amendment made by this  
23          subsection shall not affect the validity or terms  
24          of any contract or agreement entered into by  
25          the Secretary of Agriculture under section 1243

1 of the Food Security Act of 1985 (16 U.S.C.  
2 3843) before October 1, 2013, or any payments  
3 required to be made in connection with the con-  
4 tract or agreement.

5 (B) FUNDING.—

6 (i) USE OF PRIOR YEAR FUNDS.—

7 Notwithstanding the repeal of section 1243  
8 of the Food Security Act of 1985 (16  
9 U.S.C. 3843), any funds made available  
10 from the Commodity Credit Corporation to  
11 carry out the cooperative conservation  
12 partnership initiative under that section  
13 for fiscal years 2009 through 2013 shall be  
14 made available to carry out contracts and  
15 agreements referred to in subparagraph  
16 (A) that were entered into prior to October  
17 1, 2013 (including the provision of tech-  
18 nical assistance).

19 (ii) OTHER.—On exhaustion of funds  
20 made available under clause (i), the Sec-  
21 retary may use funds made available to  
22 carry out the regional conservation part-  
23 nership program under subtitle I of title  
24 XII of the Food Security Act of 1985, as  
25 added by section 1901 of this Act, to con-

1           tinue to carry out contracts and agree-  
 2           ments referred to in subparagraph (A)  
 3           using the provisions of law and regulation  
 4           applicable to such contracts and agree-  
 5           ments as in existence on September 30,  
 6           2013.

7           (1) DESERT TERMINAL LAKES PROGRAM.—

8           (1) REPEAL.—Section 2507 of the Farm Secu-  
 9           rity and Rural Investment Act of 2002 (43 U.S.C.  
 10          2211 note) is repealed.

11          (2) TRANSITIONAL PROVISIONS.—

12           (A) EFFECT ON EXISTING CONTRACTS.—

13          The amendment made by this subsection shall  
 14          not affect the validity or terms of any contract  
 15          entered into by the Secretary of Agriculture  
 16          under section 2507 of the Farm Security and  
 17          Rural Investment Act of 2002 (43 U.S.C. 2211  
 18          note) before October 1, 2013, or any payments  
 19          required to be made in connection with the con-  
 20          tract.

21           (B) FUNDING.—The Secretary may use

22          funds made available to carry out the agricul-  
 23          tural conservation easement program under  
 24          subtitle H of title XII of the Food Security Act  
 25          of 1985, as added by section 1801 of this Act,



1 to continue to carry out contracts referred to in  
 2 subparagraph (A) using the provisions of law  
 3 and regulation applicable to such contracts as  
 4 in existence on September 30, 2013.

5 **SEC. 3002. TECHNICAL AND CONFORMING AMENDMENTS.**

6 (a) DEFINITIONS.—Section 1201(a) of the Food Se-  
 7 curity Act of 1985 (16 U.S.C. 3801(a)) is amended in the  
 8 matter preceding paragraph (1) by inserting “, H, and  
 9 I” after “E”.

10 (b) PRIORITY RESOURCE CONCERN.—The following  
 11 sections of the Food Security Act of 1985 are amended  
 12 by inserting “priority” before “resource concerns”:

13 (1) Section 1238A(e)(4)(B)(ii) (16 U.S.C.  
 14 3838a(e)(4)(B)(ii)).

15 (2) Section 1238D(3)(A) (16 U.S.C.  
 16 3838d(3)(A)).

17 (3) Section 1240A(1)(B)(vi) (16 U.S.C.  
 18 3839aa–1(1)(B)(vi)).

19 **SEC. 3003. EFFECTIVE DATE.**

20 This Act, and the amendments made by this Act,  
 21 shall take effect on October 1, 2013.

○