

**IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF INDIANA  
INDIANAPOLIS DIVISION**

3C, LLC d/b/a 3Chi, and	)	
MIDWEST HEMP COUNCIL, INC.,	)	CASE NO. 1:23-cv-1115
	)	
Plaintiffs,	)	
	)	
vs.	)	
	)	
ATTORNEY GENERAL TODD ROKITA,	)	
in his official capacity, and	)	
THE STATE OF INDIANA,	)	
	)	
Defendants.	)	

**COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF**

Plaintiffs, 3C, LLC d/b/a 3Chi (“3Chi”), and Midwest Hemp Council, Inc., (collectively, “Plaintiffs”), by counsel, for their Complaint against Defendants, Attorney General Todd Rokita, in his official capacity (“AG Rokita”), and the State of Indiana (“Indiana”), state as follows:

**INTRODUCTORY STATEMENT**

1. This is a lawsuit challenging the Attorney General’s Official Opinion 2023-1 (“Official Opinion”), which attempts to unilaterally reclassify low THC hemp extracts as Schedule I controlled substances in direct conflict with well-established state and federal laws encouraging the redevelopment of a domestic supply chain of hemp and hemp products in Indiana and across the country.
2. On March 21, 2018, Governor Holcomb signed into law Senate-Enrolled Act 52 (“SEA 52”), which became effective on the day of the Governor’s signature.
3. SEA 52 encourages the manufacturing, distribution, retail sale, and possession of low THC hemp extracts that meet certain quality control standards by, in part, exempting “low

THC hemp extract” from the definition of “marijuana,” “hashish,” “hashish oil,” “controlled substance,” and “controlled substance analog.”

4. On December 20, 2018, President Donald Trump signed into law the Agriculture Improvement Act of 2018, Pub. L. 115-334 (the “2018 Farm Bill”). The 2018 Farm Bill provided for an expanded definition of “hemp” to include “*all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not*, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis.” 7 U.S.C.A. § 1639o(1) (emphasis added).

5. In short, the only relevant statutory metric in analyzing whether a product is to be considered hemp or marijuana under Indiana or federal law is the concentration of Delta-9 THC on a dry weight basis. If it is less than .3 percent Delta-9 on a dry weight basis then it is hemp, and if it is more than .3 percent, it is marijuana.

6. This deliberate distinction between hemp, an agricultural commodity under Indiana and federal law, and marijuana, a Schedule I controlled substance under Indiana and federal law, has led to a robust low THC hemp extract market that Indiana has chosen to incentivize over the last five years.

7. After five years of well-established law, AG Rokita’s Official Opinion seeks to unilaterally declare popular low THC hemp extracts Schedule I controlled substances, which deviates from established state and federal law; would lead to thousands of lost jobs around the state; and abruptly turns farmers, business owners, and consumers into criminals overnight despite no change in state or federal law.

**JURISDICTION AND VENUE**

8. This Court has jurisdiction over this case pursuant to 28 U.S.C. §§ 1331, 1343, and 1367.

9. Venue is proper in this district pursuant to 28 U.S.C. § 1391.

10. Declaratory relief is authorized by Rule 57 of the Federal Rules of Civil Procedure and 28 U.S.C. §§ 2201, 2202.

11. This action is also brought pursuant to 42 U.S.C. § 1983 to redress the deprivation, under color of state law, of rights secured by the Constitution of the United States.

**THE PARTIES**

12. Plaintiff 3Chi is a Colorado limited liability company headquartered in Indianapolis, Indiana.

13. 3Chi is the world's largest manufacturer and distributor of low THC hemp extract products like Delta-8 THC.

14. 3Chi wishes to continue to manufacture, distribute, and sell low THC hemp extract products like Delta-8 THC that are legal under state and federal law in order to meet the strong consumer demand for these products.

15. Plaintiff Midwest Hemp Council is a non-profit trade organization dedicated to providing information and advocacy for the whole hemp plant industry in Indiana and surrounding states on behalf of its members.

16. Members of the Midwest Hemp Council include farmers, manufacturers, laboratories, retail owners, and consumers of low THC hemp extracts who (under AG Rokita's Official Opinion) now all face criminal liability for their respective participation in the low THC hemp extract market.

17. Defendant AG Rokita is sued in his official capacity due to the publication of the Official Opinion, which seeks to unilaterally reclassify low THC hemp extracts as Schedule I controlled substances contrary to existing state and federal law.

18. Defendant the State of Indiana is named as a Defendant due to the various state actors and law enforcement personnel who may take action, or have taken action, as a result of the Official Opinion.

### **FACTS COMMON TO ALL COUNTS**

19. On February 7, 2014, President Barack Obama signed into law the Agricultural Act of 2014, Pub. L. No. 113-79 (the “2014 Farm Bill”). The 2014 Farm Bill provided that, “[n]otwithstanding the Controlled Substances Act . . . or any other Federal law, an institution of higher education . . . or a State department of agriculture may grow or cultivate industrial hemp,” provided it is done “for purposes of research conducted under an agricultural pilot program or other agricultural or academic research” and those activities are allowed under the relevant state’s laws. 7 U.S.C. § 5940(a).

20. The 2014 Farm bill defines “industrial hemp” as the “plant *Cannabis sativa* L. and any part of such plant, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis.” 7 U.S.C. § 5940(a)(2).

21. The 2014 Farm Bill defines an “agricultural pilot program” as a “pilot program to study the growth, cultivation, or marketing of industrial hemp . . . in States that permit the growth or cultivation of industrial hemp under the laws of the state in a manner that[:] ensures that only institutions of higher education and State departments of agriculture are used to grow or cultivate industrial hemp[:]; requires that sites used for growing or cultivating industrial hemp in a State be certified by, and registered with, the State department of agriculture[:]; and authorizes State



departments of agriculture to promulgate regulations to carry out the pilot program in the States in accordance with the purposes of [Section 7606 of the 2014 Farm Bill].” 7 U.S.C. § 5940(a)(2).

22. On March 26, 2014, in direct response to the 2014 Farm Bill, Governor Mike Pence signed into law Senate-Enrolled Act 357, P.L. 165-2014 (“SEA 357”), authorizing the production, possession, scientific study, and commerce of industrial hemp in Indiana pursuant to Indiana Code § 15-15-13.

23. SEA 357 permanently removed industrial hemp from the state’s definition of “marijuana.” Ind. Code § 35-48-1-19.

24. Indiana Code § 15-15-13 requires anyone wishing to grow or handle industrial hemp for commercial or research purposes to first obtain a license from the Indiana State Seed Commissioner by partnering with an institution of higher education, registering the cultivation site(s) via GPS coordinates, and passing a background check among other requirements.

25. Since the adoption of the SEA 357 in 2014, Indiana farmers have begun growing hemp subject to licensing requirements under state law and Indiana small businesses have been selling hemp and hemp products. Purdue University’s Department of Agronomy has been actively involved in promoting the production of hemp, which Indiana soils are well-suited to produce.

26. Since 2014, the Indiana Seed Commissioner has issued over 500 licenses authorizing the production of approximately 15,000 acres of hemp in Indiana.

27. On December 20, 2018, President Donald Trump signed into law the 2018 Farm Bill. A copy of the 2018 Farm bill is attached as *Exhibit 1*.

28. The 2018 Farm Bill permanently removes hemp from the Controlled Substances Act and requires the United States Department of Agriculture (“USDA”) to be the sole federal

regulator of hemp production leaving no role for the Drug Enforcement Agency (“DEA”). The Food and Drug Administration (“FDA”) retains jurisdiction over ingestible and topical hemp products.

29. The 2018 Farm Bill expands the definition of hemp by defining it as the “plant *Cannabis sativa L.* and any part of that plant, including the seeds thereof ***and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not,*** with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis.” 7 U.S.C.A. § 1639o(1) (emphasis added). Thus, the 2018 Farm Bill broadly defines hemp as including all products derived from hemp, so long as the THC concentration is not more than 0.3 percent Delta-9 THC, and it is agnostic on manufacturing processes.

30. The Conference Report for the 2018 Farm Bill makes it clear that Congress intended to preclude a state from adopting a more restrictive definition of hemp: “state and Tribal governments are authorized to put more restrictive parameters on the production of hemp, ***but are not authorized to alter the definition of hemp*** or put in place policies that are less restrictive.” Conference Report for Agricultural Improvement Act of 2018, p. 738 (emphasis added). A true and accurate copy of the relevant pages from the Conference Report is attached as ***Exhibit 2.***

31. The 2018 Farm Bill required the USDA to issue regulations and guidelines for states to implement the relevant hemp portions of the 2018 Farm Bill as well as regulations and guidelines for states that choose not to regulate the production of hemp in their borders. 7 U.S.C. § 1639r(a)(1)(A).

32. According to USDA’s Final Rule, “produce” is a common agricultural term that means “[t]o grow hemp plants for market, or for cultivation for market, in the United States.” 7 C.F.R. § 990.1.

33. The Final Rule further demonstrates that the 2018 Farm Bill preserves the authority of individual states to regulate the act of producing hemp if they chose to do so (e.g. set back requirements, performance based sampling), but individual states could not alter the definition of hemp. In other words, the 2018 Farm Bill permits states to regulate the production, i.e., cultivation, of hemp, but nothing more.

34. Significantly, the 2018 Farm Bill prohibits states from blocking the transportation or shipment of hemp and hemp products produced in accordance with the 2018 Farm Bill:

SEC. 10114. INTERSTATE COMMERCE.

- (a) Rule of Construction. Nothing in this title or an amendment made by this title prohibits the interstate commerce of hemp (as defined in section 297A of the Agricultural Marketing Act of 1946 (as added by section 10113)) or hemp products.
- (b) Transportation of Hemp and Hemp Products. No State or Indian Tribe shall prohibit the transportation or shipment of hemp or hemp products produced in accordance with subtitle G of the Agricultural Marketing Act of 1946 (as added by section 10113) through the State or the territory of the Indian Tribe, as applicable.

35. This explicit protection for hemp and hemp products in interstate commerce would be rendered meaningless if individual states were permitted to criminalize certain hemp and hemp products and frustrate the overarching goal of the 2014 and 2018 Farm Bills, which is to treat hemp and hemp products like a commodity once again.

36. The overarching goal of treating hemp and hemp products like a commodity is further illustrated by the USDA specifically adding hemp to the Agricultural Technical Advisory

Committee (“ATAC”) for Trade in Tobacco, Cotton, and Peanuts.<sup>1</sup> There are a total of six (6) ATACs that advise the Secretary of Agriculture and the U.S. Trade Representative about a variety of agricultural trade matters.

37. Furthermore, General Counsel for the USDA has authored a memorandum discussing the prohibition on states restricting the transportation or shipment of hemp, concluding that any state law purporting to do so has been preempted by Congress. A true and accurate copy of the USDA Memorandum is attached as *Exhibit 3*.

38. In short, the 2018 Farm Bill (1) broadly defined hemp as including all extracts and derivatives whether growing or not, (2) legalized all hemp products with a Delta-9 THC concentration of not more than 0.3% on a dry weight basis, (3) is silent on the manufacturing processes for hemp products, and (4) mandated that no state or Indian tribe could prohibit the interstate commerce of hemp or hemp products.

39. On May 2, 2019, in direct response to the 2018 Farm Bill, Governor Eric Holcomb signed into law Senate-Enrolled Act 516 (“SEA 516”), P.L. 190-2019. A copy of SEA 516 is attached as *Exhibit 4*.

40. SEA 516 expanded the existing definition “hemp” to mirror the broad definition found in the 2018 Farm Bill: “[T]he plant *Cannabis sativa* L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9-tetrahydrocannabinol concentration of not more than three-tenths of one percent (0.3%) on a dry weight basis, for any part of the *Cannabis sativa* L. plant.” Ind. Code § 15-15-13-6 (effective July 1, 2019).

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<sup>1</sup> See <https://www.federalregister.gov/documents/2023/06/13/2023-12649/amendment-notice-of-intent-for-agricultural-policy-advisory-committee-apac-and-the-related> (last visited June 26, 2023).

41. On January 12, 2023, the Indiana hemp market that had operated smoothly over the last five years was turned on its head when AG Rokita issued the Official Opinion, which is attached as *Exhibit 5*. In the Official Opinion, AG Rokita opined that hemp derived Delta-8 THC and other hemp derived THC compounds including derivatives and isomers of these compounds are Schedule I controlled substances under Indiana law despite no change in Indiana or federal law.

42. The Official Opinion reaches this conclusion despite acknowledging that the 2018 Farm Bill “shifted regulatory authority for hemp from the DEA to [USDA]” and that the bill “limits the definition of marijuana to only include cannabis or cannabis-derived material that contains more than 0.3% Delta-9THC on a dry weight basis.”

43. The Official Opinion attempts to create a distinction between “synthetic” hemp derived cannabinoids and cannabinoids “naturally occurring” in the hemp plant without any such distinction found in federal or state statute.

44. The Official Opinion was directed to and sent to the Superintendent of the Indiana State Police and the Executive Director of the Indiana Prosecuting Attorneys Council, effectively giving them the green light to prosecute Indiana businesses and citizens for their possession of hemp extracts such as Delta-8.

45. As a result of the Official Opinion, 3Chi and members of the Midwest Hemp Council are in jeopardy of criminal prosecution for possessing or transporting Delta-8 THC and similar hemp extracts if law enforcement personnel act on AG Rokita’s admonition.

46. As a direct result of the Official Opinion, 3Chi’s then Indiana based financial institution notified the company to either stop selling the products or find a different financial institution, which ultimately forced 3Chi to use an out-of-state banking institution.

47. Furthermore, because of the Official Opinion Midwest Hemp Council members have been refused financing and other banking services in Indiana that are critical to running a business.

48. On June 2, 2023, as a direct result of AG Rokita's Official Opinion, the Wayne County Prosecuting Attorney sent a letter to a Midwest Hemp Council member's small business threatening the store owner to stop selling these products or face legal action from law enforcement. A true and accurate copy of this letter is attached as *Exhibit 6*.

**Count I: Declaratory Judgment for Violation of 2018 Farm Bill**

49. Plaintiffs allege and incorporate by reference all allegations in the paragraphs above.

50. An actual and justiciable controversy exists between Plaintiffs and Defendants regarding the lawfulness of low THC hemp extracts.

51. For example, the Official Opinion has caused lenders to pull out of financing commitments for 3Chi and places 3Chi personnel and other members of the Midwest Hemp Council in jeopardy of criminal prosecution.

52. Furthermore, the Official Opinion has caused at least one retailer to receive threats from a local prosecutor to either stop selling low THC hemp extracts or face criminal liability.

53. Pursuant to 28 U.S.C. §§ 2201 and 2202, and Rule 57 of the Federal Rules of Civil Procedure, Plaintiffs request a declaration that the Official Opinion's conclusion that low THC hemp extracts such as Delta-8 are Schedule I controlled substances violates the 2018 Farm Bill and is preempted by federal law.

54. The 2018 Farm Bill legalized all hemp products with a Delta-9 THC concentration of not more than 0.3% on a dry weight basis and prohibited states from curtailing the transport of hemp or hemp products.

55. The Official Opinion violates both of these aspects of the 2018 Farm Bill. It attempts to revise federal law to redefine hemp as marijuana and interferes with the free flow of interstate transportation of hemp products.

56. The Official Opinion imposes an impermissible narrower definition of hemp than mandated by the federal government in the 2018 Farm Bill, despite Congress's pronouncement that states are not permitted to modify the definition of hemp. (Ex. 2 at 738.)

57. Moreover, by carving certain hemp derived cannabinoids out from the definition of hemp with no statutory changes under Indiana law, the Official Opinion attempts to adopt a definition that conflicts with the federal standard, which includes all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9-tetrahydrocannabinol concentration of not more than three-tenths of one percent (0.3%) on a dry weight basis (such as Delta-8 THC).

58. The Official Opinion runs counter to the plain and unambiguous reading of the 2018 Farm Bill as well as its intent as evidenced by a letter from the then Chairman of the House Agriculture Committee Congressman David Scott and the then House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies to the United States Department of Justice and the DEA:

Congress did not intend the 2018 Farm Bill to criminalize any stage of legal hemp processing, and we are concerned that hemp grown in compliance with a USDA-approved plan could receive undue scrutiny from the DEA as it is being processed into a legal consumer-facing product under this IFR. That is why the 2018 Farm Bill's definition of hemp was broadened from the 2014 Farm Bill's version to include derivatives, extracts and cannabinoids. It was our intent that derivatives,

extracts and cannabinoids would be legal if these products were in compliance [with] all other Federal regulations.

A true and accurate copy of Congressmen's Scott and Bishop, Jr.'s letter is attached as *Exhibit 7*.

59. The Official Opinion is also in direct conflict with the DEA's own determinations that Delta-8 THC and every other hemp derived cannabinoid product under .3% Delta-9 THC on a dry weight basis is considered hemp and not a controlled substance under federal law.

60. On June 24, 2021, during a recorded Florida Department of Agriculture and Consumer Services webinar, DEA representative, Sean Mitchell, stated:

I also just want to expand beyond delta-8. There's delta-8, there's delta-10, there's all kind of different uh cannabinoids that uh are associated with cannabis sativa l that are kind of out there and making the rounds. So what I want to say, and I'll be very, very deliberate and clear. At this time, I repeat again, at this time, per the Farm Bill, the only thing uh that is a controlled substance is delta-9 THC greater than 0.3% based on a dry weight basis.<sup>2</sup>

61. On August 19, 2021, the Alabama Board of Pharmacy requested the control status of Delta-8 THC under the Controlled Substances Act. On September 15, 2021, the DEA concluded that "...cannabinoids extracted from the cannabis plant that have a  $\Delta$  9 -THC concentration of not more than 0.3 percent on a dry weight basis meet the definition of 'hemp' and thus are not controlled under the CSA." Furthermore, according to the response, the DEA considers unlawful "synthetic" THC products to be those that are "produced from non-cannabis materials." A true and accurate copy of the DEA's response to the Alabama Board of Pharmacy is attached as *Exhibit 8*.

62. Furthermore, DEA's official promulgations in the Federal Register, at 21 C.F.R. § 1308.11(31)(ii), declares that: "(ii) Tetrahydrocannabinols does not include any material,

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<sup>2</sup> See <https://tinyurl.com/mr2n28hx> at 9:00 minute mark (last visited June 26, 2023).



compound, mixture, or preparation that falls within the definition of hemp set forth in 7 U.S.C. 1639o.”

63. In addition, by criminalizing hemp derivatives like Delta-8 THC, the Official Opinion prohibits the transport of hemp products in and through Indiana in direct contradiction of Section 10114 of the 2018 Farm Bill and the Commerce Clause. U.S. Const. art. I, § 8, cl. 3.

64. Federal law preempts the Official Opinion that is in conflict with the 2018 Farm Bill pursuant to the Supremacy Clause of the United States Constitution. U.S. Const. art. VI, cl. 2.

65. Plaintiffs have been, and will be, harmed by the Official Opinion, as they are unable to transport, manufacture, possess, or sell low THC hemp products that have been declared to be legal under federal law.

### **Count II – Declaratory Judgment for Violation of SEA 52**

66. Plaintiffs allege and incorporate by reference all allegations in the paragraphs above.

67. Pursuant to 28 U.S.C. §§ 2201 and 2202, and Rule 57 of the Federal Rules of Civil Procedure, Plaintiffs also request a declaration that the Official Opinion’s conclusion that low THC hemp extracts are Schedule I controlled substances violates SEA 52.

68. On April 26, 2017, Governor Holcomb signed into law House-Enrolled Act 1148 (“HEA 1148”), which became effective on the day of the Governor’s signature.

69. HEA 1148 provided Hoosiers battling seizures access to hemp extract products containing at least 5 percent cannabidiol (“CBD”) and less than .3% total tetrahydrocannabinol. However, strong consumer demand led to the products being sold all over the state, which resulted in enforcement actions against unauthorized retailers.

70. As a result of the confusion and frustration from the general public and law enforcement, Governor Holcomb declared a “timeout” on enforcement actions to give the Indiana General Assembly time to clarify the law during the upcoming legislative session.

71. During the next legislative session, the Indiana General Assembly passed SEA 52, which Governor Holcomb signed into law on March 21, 2018 and became effective on the day of the Governor’s signature. A copy of SEA 52 is attached as *Exhibit 9*.

72. SEA 52 repealed the restrictive program created in HEA 1148 in favor of providing Hoosiers with broad market access to low THC hemp extract products that meet certain quality control standards like labeling and testing and contain less than .3% Delta-9 THC (including precursors) on a dry weight basis.

73. SEA 52 also permanently excluded low THC hemp extracts from Indiana’s definition of marijuana, hashish, hashish oil, a controlled substance, a controlled substance analogue.

74. The Official Opinion acknowledges SEA 52 but modifies the statute in a manner to make it appear as if “hemp” is not included in the definition of a “low THC hemp extract:”

“Low THC hemp extract” means a substance or compound that: (1) is derived from or contains any part of the plant *Cannabis sativa L.* that meets the definition of hemp under IC 15-15-13-6; (2) contains not more than three-tenths percent (0.3%) total delta-9- tetrahydrocannabinol (THC), including precursors, by weight; and (3) contains no other controlled substances. **(b) The term does not include...hemp** (emphasis added).

(Ex. 9 at 9.)

75. However, the unambiguous plain reading of SEA 52 in full clearly demonstrates that all low THC hemp extracts are legal under Indiana law so long as it contains no more than .3% Delta-9 THC on a dry weight basis. Like the 2018 Farm Bill, SEA 52 is agnostic on manufacturing processes.

76. Because of this deliberate market expansion by the Indiana General Assembly, the state and local governments executed incentive agreements with 3Chi and other small businesses to relocate and expand their business operations in the state.

77. In short, SEA 52 expanded market access for all Hoosier consumers and small businesses to all hemp products with a Delta-9 THC concentration of not more than 0.3% on a dry weight basis.

78. Plaintiffs have been, and will be, harmed by the Official Opinion's violation of SEA 52.

### **Count III – Injunctive Relief**

79. Plaintiffs allege and incorporate by reference all allegations in the paragraphs above.

80. Plaintiffs are likely to succeed on the merits of their challenge to the Official Opinion given that it openly conflicts with the 2018 Farm Bill and SEA 52.

81. The Official Opinion has, and will continue to, cause harm to Plaintiffs by placing them in jeopardy of criminal prosecution and depriving them of financing due to fear by lenders of criminal prosecution.

82. Plaintiffs have no adequate remedy at law and face irreparable harm unless this Court enjoins the Official Opinion.

83. The balance of harms weighs in favor of Plaintiffs, as the injunction will not harm Defendants; it will simply place Defendants back into compliance with state and federal law.

84. An injunction is in the public's interests, as the State of Indiana is not permitted to ignore federal law or criminalize conduct that has been declared legal under federal law.

85. Plaintiffs are entitled to a preliminary injunction, later to be made permanent, with respect to the Official Opinion.

WHEREFORE, Plaintiffs respectfully request that the Court:

- (a) Set this matter for a prompt hearing on Plaintiffs' request for preliminary injunctive relief;
- (b) Enter judgment in their favor and against Defendants;
- (c) Declare all low THC hemp extracts as agricultural products under state and federal law; and
- (d) Issue a preliminary injunction, later to be made permanent, enjoining Defendants (including other persons in concert or participation with them, including but not limited to law enforcement personnel and prosecutors' offices, including the Indiana State Police and Indiana Prosecuting Attorneys Council) from taking any steps to criminalize or prosecute the sale, possession, manufacture, financing, or distribution of low THC hemp extracts that are below .3% Delta-9 THC on a dry weight basis;
- (e) Award Plaintiffs their costs and attorneys' fees incurred in bringing this action; and
- (f) Award Plaintiffs all other just and proper relief.

Dated: June 26, 2023

Respectfully submitted,

/s/ Paul D. Vink

Paul D. Vink (Atty. No. 23785-32)  
Justin E. Swanson (Atty. No. 30880-02)  
Tyler J. Moorhead (Atty. No. 34705-73)  
BOSE McKINNEY & EVANS LLP  
111 Monument Circle, Suite 2700  
Indianapolis, IN 46204  
317-684-5000  
317-684-5173 fax  
[pvink@boselaw.com](mailto:pvink@boselaw.com)  
[jswanson@boselaw.com](mailto:jswanson@boselaw.com)  
[tmoorhead@boselaw.com](mailto:tmoorhead@boselaw.com)

*Attorneys for Plaintiffs*

4586995

PUBLIC LAW 115-334—DEC. 20, 2018

AGRICULTURE IMPROVEMENT ACT OF 2018

★ (Star Print)

132 STAT. 4490

PUBLIC LAW 115–334—DEC. 20, 2018

Public Law 115–334  
115th Congress

An Act

Dec. 20, 2018  
[H.R. 2]

To provide for the reform and continuation of agricultural and other programs of the Department of Agriculture through fiscal year 2023, and for other purposes.

Agriculture  
Improvement Act  
of 2018.

7 USC 9001 note.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

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

(a) **SHORT TITLE.**—This Act may be cited as the “Agriculture Improvement Act of 2018”.

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

- Sec. 1. Short title; table of contents.
- Sec. 2. Definition of Secretary.

**TITLE I—COMMODITIES**

**Subtitle A—Commodity Policy**

- Sec. 1101. Definition of effective reference price.
- Sec. 1102. Base acres.
- Sec. 1103. Payment yields.
- Sec. 1104. Payment acres.
- Sec. 1105. Producer election.
- Sec. 1106. Price loss coverage.
- Sec. 1107. Agriculture risk coverage.
- Sec. 1108. Repeal of transition assistance for producers of upland cotton.

**Subtitle B—Marketing Loans**

- Sec. 1201. Extensions.
- Sec. 1202. Loan rates for nonrecourse marketing assistance loans.
- Sec. 1203. Economic adjustment assistance for textile mills.
- Sec. 1204. Special competitive provisions for extra long staple cotton.
- Sec. 1205. Availability of recourse loans.

**Subtitle C—Sugar**

- Sec. 1301. Sugar policy.

**Subtitle D—Dairy Margin Coverage and Other Dairy Related Provisions**

- Sec. 1401. Dairy margin coverage.
- Sec. 1402. Reauthorizations.
- Sec. 1403. Class I skim milk price.
- Sec. 1404. Dairy product donation.

**Subtitle E—Supplemental Agricultural Disaster Assistance**

- Sec. 1501. Supplemental agricultural disaster assistance.

**Subtitle F—Noninsured Crop Assistance**

- Sec. 1601. Noninsured crop assistance program.

**Subtitle G—Administration**

- Sec. 1701. Regulations.
- Sec. 1702. Suspension of permanent price support authority.

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- Sec. 1703. Payment limitations.
- Sec. 1704. Adjusted gross income limitations.
- Sec. 1705. Farm Service Agency accountability.
- Sec. 1706. Implementation.
- Sec. 1707. Exemption from certain reporting requirements for certain producers.

TITLE II—CONSERVATION

Subtitle A—Wetland Conservation

- Sec. 2101. Wetland conversion.
- Sec. 2102. Wetland conservation.
- Sec. 2103. Mitigation banking.

Subtitle B—Conservation Reserve Program

- Sec. 2201. Conservation reserve.
- Sec. 2202. Conservation reserve enhancement program.
- Sec. 2203. Farmable wetland program.
- Sec. 2204. Pilot programs.
- Sec. 2205. Duties of owners and operators.
- Sec. 2206. Duties of the Secretary.
- Sec. 2207. Payments.
- Sec. 2208. Contracts.
- Sec. 2209. Eligible land; State law requirements.

Subtitle C—Environmental Quality Incentives Program and Conservation Stewardship Program

- Sec. 2301. Repeal of conservation programs.
- Sec. 2302. Purposes of environmental quality incentives program.
- Sec. 2303. Definitions under environmental quality incentives program.
- Sec. 2304. Establishment and administration of environmental quality incentives program.
- Sec. 2305. Environmental quality incentives program plan.
- Sec. 2306. Limitation on payments under environmental quality incentives program.
- Sec. 2307. Conservation innovation grants and payments.
- Sec. 2308. Conservation stewardship program.
- Sec. 2309. Grassland conservation initiative.

Subtitle D—Other Conservation Programs

- Sec. 2401. Watershed protection and flood prevention.
- Sec. 2402. Soil and water resources conservation.
- Sec. 2403. Emergency conservation program.
- Sec. 2404. Conservation of private grazing land.
- Sec. 2405. Grassroots source water protection program.
- Sec. 2406. Voluntary public access and habitat incentive program.
- Sec. 2407. Wildlife management.
- Sec. 2408. Feral swine eradication and control pilot program.
- Sec. 2409. Report on small wetlands.
- Sec. 2410. Sense of Congress relating to increased watershed-based collaboration.

Subtitle E—Funding and Administration

- Sec. 2501. Commodity Credit Corporation.
- Sec. 2502. Delivery of technical assistance.
- Sec. 2503. Administrative requirements for conservation programs.
- Sec. 2504. Temporary administration of conservation programs.

Subtitle F—Agricultural Conservation Easement Program

- Sec. 2601. Establishment and purposes.
- Sec. 2602. Definitions.
- Sec. 2603. Agricultural land easements.
- Sec. 2604. Wetland reserve easements.
- Sec. 2605. Administration.

Subtitle G—Regional Conservation Partnership Program

- Sec. 2701. Establishment and purposes.
- Sec. 2702. Definitions.
- Sec. 2703. Regional conservation partnerships.
- Sec. 2704. Assistance to producers.
- Sec. 2705. Funding.
- Sec. 2706. Administration.



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Sec. 2707. Critical conservation areas.

Subtitle H—Repeals and Technical Amendments

PART I—REPEALS

- Sec. 2811. Repeal of Conservation Corridor Demonstration Program.
- Sec. 2812. Repeal of cranberry acreage reserve program.
- Sec. 2813. Repeal of National Natural Resources Foundation.
- Sec. 2814. Repeal of flood risk reduction.
- Sec. 2815. Repeal of study of land use for expiring contracts and extension of authority.
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- Sec. 7213. Centers of excellence at 1890 Institutions.
- Sec. 7214. Clarification of veteran eligibility for assistive technology program for farmers with disabilities.
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- Sec. 12405. Under Secretary of Agriculture for Farm Production and Conservation.
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- Sec. 12413. Trade and foreign agricultural affairs.
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## Subtitle E—Other Miscellaneous Provisions

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- Sec. 12502. Protecting animals with shelter.
- Sec. 12503. Marketing orders.
- Sec. 12504. Establishment of food loss and waste reduction liaison.
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- Sec. 12511. Precision agriculture connectivity.
- Sec. 12512. Improvements to United States Drought Monitor.
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- Sec. 12514. Report on funding for the National Institute of Food and Agriculture and other extension programs.
- Sec. 12515. Prohibition on slaughter of dogs and cats for human consumption.
- Sec. 12516. Labeling exemption for single ingredient foods and products.
- Sec. 12517. South Carolina inclusion in Virginia/Carolina peanut producing region.
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- Sec. 12615. Eligibility for operators on heirs property land to obtain a farm number.
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7 USC 9001 note.

**SEC. 2. DEFINITION OF SECRETARY.**

In this Act, the term “Secretary” means the Secretary of Agriculture.

**TITLE I—COMMODITIES****Subtitle A—Commodity Policy****SEC. 1101. DEFINITION OF EFFECTIVE REFERENCE PRICE.**

Section 1111 of the Agricultural Act of 2014 (7 U.S.C. 9011) is amended—

(1) by redesignating paragraphs (8) through (25) as paragraphs (9) through (26), respectively; and

(2) by inserting after paragraph (7) the following:

“(8) **EFFECTIVE REFERENCE PRICE.**—The term ‘effective reference price’, with respect to a covered commodity for a crop year, means the lesser of the following:

“(A) An amount equal to 115 percent of the reference price for such covered commodity.

“(B) An amount equal to the greater of—

“(i) the reference price for such covered commodity;

or

“(ii) 85 percent of the average of the marketing year average price of the covered commodity for the

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most recent 5 crop years, excluding each of the crop years with the highest and lowest marketing year average price.”

**SEC. 1102. BASE ACRES.**

(a) TECHNICAL CORRECTIONS.—Section 1112(c)(2) of the Agricultural Act of 2014 (7 U.S.C. 9012(c)(2)) is amended by striking subparagraph (A) and inserting the following:

“(A) Any acreage on the farm enrolled in—

“(i) the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.); or

“(ii) a wetland reserve easement under section 1265C of the Food Security Act of 1985 (16 U.S.C. 3865c).”

(b) REDUCTION IN BASE ACRES.—Section 1112(d) of the Agricultural Act of 2014 (7 U.S.C. 9012(d)) is amended by adding at the end the following:

“(3) TREATMENT OF BASE ACRES ON FARMS ENTIRELY PLANTED TO GRASS OR PASTURE.—

“(A) IN GENERAL.—In the case of a farm on which all of the cropland was planted to grass or pasture (including cropland that was idle or fallow), as determined by the Secretary, during the period beginning on January 1, 2009, and ending on December 31, 2017, the Secretary shall maintain all base acres and payment yields for the covered commodities on the farm, except that no payment shall be made with respect to those base acres under section 1116 or 1117 for the 2019 through 2023 crop years.

“(B) INELIGIBILITY.—The producers on a farm for which all of the base acres are maintained under subparagraph (A) shall be ineligible for the option to change the election applicable to the producers on the farm under section 1115(h).

“(4) PROHIBITION ON RECONSTITUTION OF FARM.—The Secretary shall ensure that producers on a farm do not reconstitute the farm to void or change the treatment of base acres under this section.”

**SEC. 1103. PAYMENT YIELDS.**

(a) TREATMENT OF DESIGNATED OILSEEDS.—Section 1113(b) of the Agricultural Act of 2014 (7 U.S.C. 9013(b)) is amended—

(1) in paragraph (1), by striking “designated oilseeds” and inserting “oilseeds designated before the date of enactment of the Agriculture Improvement Act of 2018”;

(2) in paragraphs (2) and (3), by striking “a designated oilseed” each place it appears and inserting “an oilseed designated before the date of enactment of the Agriculture Improvement Act of 2018”; and

(3) by adding at the end the following:

“(4) TREATMENT OF OILSEEDS DESIGNATED AFTER CERTAIN DATE.—In the case of oilseeds designated on or after the date of enactment of the Agriculture Improvement Act of 2018, the payment yield shall be equal to 90 percent of the average of the yield per planted acre for the most recent 5 crop years, as determined by the Secretary, excluding any crop year in which the acreage planted to the covered commodity was zero.”

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(b) SINGLE OPPORTUNITY TO UPDATE YIELDS.—Section 1113 of the Agricultural Act of 2014 (7 U.S.C. 9013) is amended by striking subsection (d) and inserting the following:

“(d) SINGLE OPPORTUNITY TO UPDATE YIELDS.—

“(1) ELECTION TO UPDATE.—At the sole discretion of the owner of a farm, the owner of a farm shall have a 1-time opportunity to update, on a covered-commodity-by-covered-commodity basis, the payment yield that would otherwise be used in calculating any price loss coverage payment for each covered commodity on the farm for which the election is made.

“(2) METHOD OF UPDATING YIELDS FOR COVERED COMMODITIES.—If the owner of a farm elects to update yields under paragraph (1), the payment yield for a covered commodity on the farm, for the purpose of calculating price loss coverage payments only, shall be equal to the product obtained by multiplying—

“(A) 90 percent;

“(B) the average of the yield per planted acre for the crop of covered commodities on the farm for the 2013 through 2017 crop years, as determined by the Secretary, excluding any crop year in which the acreage planted to the covered commodity was zero; and

“(C) subject to paragraph (3), the ratio obtained by dividing—

“(i) the average of the 2008 through 2012 national average yield per planted acre for the covered commodity, as determined by the Secretary; by

“(ii) the average of the 2013 through 2017 national average yield per planted acre for the covered commodity, as determined by the Secretary.

“(3) LIMITATION.—In no case shall the ratio obtained under paragraph (2)(C) be less than 90 percent or greater than 100 percent.

“(4) USE OF COUNTY AVERAGE YIELD.—For the purposes of determining the average yield per planted acre under paragraph (2)(B), if the yield per planted acre for a crop of a covered commodity for a farm for any of the crop years described in that subparagraph was less than 75 percent of the average of county yields for those crop years for that commodity, the Secretary shall assign a yield for that crop year equal to 75 percent of the average of the 2013 through 2017 county yield for the covered commodity.

“(5) UPLAND COTTON CONVERSION.—In the case of seed cotton, for purposes of determining the average of the yield per planted acre under this subsection, the average yield for seed cotton per planted acre shall be equal to 2.4 times the average yield for upland cotton per planted acre.

“(6) TIME FOR ELECTION.—An election under this subsection shall be made at a time and manner so as to be in effect beginning with the 2020 crop year, as determined by the Secretary.”.

**SEC. 1104. PAYMENT ACRES.**

Section 1114 of the Agricultural Act of 2014 (7 U.S.C. 9014) is amended—

(1) in subsection (d)—

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(A) in paragraph (1), by inserting “, unless the sum of the base acres on the farm, when combined with the base acres of other farms in which the producer has an interest, is more than 10 acres” before the period at the end; and

(B) in paragraph (2)—

(i) in subparagraph (A), by striking “or” at the end;

(ii) in subparagraph (B), by striking the period at the end and inserting a semicolon; and

(iii) by adding at the end the following:

“(C) a beginning farmer or rancher (as defined in subsection (a) of section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279)); or

“(D) a veteran farmer or rancher (as defined in subsection (a) of section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279)).”; and

(2) in subsection (e), by adding at the end the following:

“(5) EFFECT OF REDUCTION.—For each crop year for which fruits, vegetables (other than mung beans and pulse crops), or wild rice are planted to base acres on a farm for which a reduction in payment acres is made under this subsection, the Secretary shall consider such base acres to be planted, or prevented from being planted, to a covered commodity for purposes of any adjustment or reduction of base acres for the farm under section 1112.”.

**SEC. 1105. PRODUCER ELECTION.**

Section 1115 of the Agricultural Act of 2014 (7 U.S.C. 9015) is amended—

(1) in subsection (a), in the matter preceding paragraph (1), by striking “Except as provided in subsection (g), for the 2014 through 2018 crop years” and inserting “For the 2014 through 2018 crop years (except as provided in subsection (g)) and for the 2019 through 2023 crop years (subject to subsection (h))”;

(2) in subsection (b), in the matter preceding paragraph (1), by striking “subsection (a), the producers on a farm that elect under paragraph (2) of such subsection to obtain agriculture risk coverage under section 1117” and inserting “subsection (a) or (h), as applicable, the producers on a farm that elect to obtain agriculture risk coverage”;

(3) in subsection (c)—

(A) in the matter preceding paragraph (1), by inserting “or the 2019 crop year, as applicable” after “2014 crop year”;

(B) in paragraph (1), by inserting “or the 2019 crop year, as applicable,” after “2014 crop year”; and

(C) by striking paragraph (2) and inserting the following:

“(2) subject to subsection (h), the producers on the farm shall be deemed to have elected, as applicable—

“(A) price loss coverage for all covered commodities on the farm for the 2015 through 2018 crop years; and

“(B) the same coverage for each covered commodity on the farm for the 2020 through 2023 crop years as was applicable for the 2015 through 2018 crop years.”;

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(4) in subsection (g)(1), by inserting “for the 2018 crop year,” before “all of the producers”; and

(5) by adding at the end the following:

“(h) OPTION TO CHANGE ELECTION.—

“(1) IN GENERAL.—For the 2021 crop year and each crop year thereafter, all of the producers on a farm may change the election under subsection (a), subsection (c), or this subsection, as applicable, to price loss coverage or agriculture risk coverage, as applicable.

“(2) APPLICABILITY.—An election change under paragraph (1) shall apply to—

“(A) the crop year for which the election change is made; and

“(B) each crop year thereafter until another election change is made under that paragraph.”

**SEC. 1106. PRICE LOSS COVERAGE.**

Section 1116 of the Agricultural Act of 2014 (7 U.S.C. 9016) is amended—

(1) in subsection (a)—

(A) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and indenting appropriately;

(B) in the matter preceding subparagraph (A) (as so redesignated)—

(i) by inserting “or (h)” after “subsection (a)”; and

(ii) by striking “determines that, for any of the 2014 through 2018 crop years—” and inserting “determines that—

“(1) for any of the 2014 through 2018 crop years—”;

(C) in paragraph (1)(B) (as so redesignated), by striking the period at the end and inserting “; or”; and

(D) by adding at the end the following:

“(2) for any of the 2019 through 2023 crop years—

“(A) the effective price for the covered commodity for the crop year; is less than

“(B) the effective reference price for the covered commodity for the crop year.”;

(2) in subsection (c)—

(A) by redesignating paragraphs (1) and (2) as clauses (i) and (ii), respectively, and indenting appropriately;

(B) in the matter preceding clause (i) (as so redesignated), by striking “The payment rate” and inserting the following:

“(1) IN GENERAL.—

“(A) 2014 THROUGH 2018 CROP YEARS.—For the 2014 through 2018 crop years, the payment rate”;

(C) in paragraph (1) (as so designated), by adding at the end the following:

“(B) 2019 THROUGH 2023 CROP YEARS.—For the 2019 through 2023 crop years, the payment rate shall be equal to the difference between—

“(i) the effective reference price for the covered commodity; and

“(ii) the effective price determined under subsection (b) for the covered commodity.”; and

(D) by adding at the end the following:

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“(2) ANNOUNCEMENT.—Not later than 30 days after the end of each applicable 12-month marketing year for each covered commodity, the Secretary shall publish the payment rate determined under paragraph (1).

“(3) INSUFFICIENT DATA.—In the case of a covered commodity, such as temperate japonica rice, for which the Secretary cannot determine the payment rate for the most recent 12-month marketing year by the date described in paragraph (2) due to insufficient reporting of timely pricing data by 1 or more nongovernmental entities, including a marketing cooperative for the covered commodity, the Secretary shall publish the payment rate as soon as practicable after the marketing year data are made available.”; and

(3) by striking subsection (g) and inserting the following:

“(g) REFERENCE PRICE FOR TEMPERATE JAPONICA RICE.—In order to reflect price premiums, the Secretary shall provide a reference price with respect to temperate japonica rice in an amount equal to the amount established under subparagraph (F) of section 1111(19), as adjusted by paragraph (8) of such section, multiplied by the ratio obtained by dividing—

“(1) the simple average of the marketing year average price of medium grain rice from the 2012 through 2016 crop years; by

“(2) the simple average of the marketing year average price of all rice from the 2012 through 2016 crop years.”.

**SEC. 1107. AGRICULTURE RISK COVERAGE.**

Section 1117 of the Agricultural Act of 2014 (7 U.S.C. 9017) is amended—

(1) in subsection (a), in the matter preceding paragraph (1)—

(A) by inserting “(beginning with the 2019 crop year, based on the physical location of the farm)” after “payments”; and

(B) by inserting “or the 2019 through 2023 crop years, as applicable” after “2014 through 2018 crop years”;

(2) in subsection (c)—

(A) in paragraph (2)—

(i) in subparagraph (A), by striking “paragraph (4)” and inserting “paragraphs (4) and (5)”; and

(ii) in subparagraph (B), by striking “(5)” and inserting “(6)”; and

(B) in paragraph (3)—

(i) in subparagraph (A)(ii), by striking “(5)” and inserting “(6)”; and

(ii) in subparagraph (C), by striking “2018” and inserting “2023”;

(C) in paragraph (4)—

(i) by striking “If” and inserting the following:

“(A) 2014 THROUGH 2018 CROP YEARS.—Effective for the 2014 through 2018 crop years, if”; and

(ii) by adding at the end the following:

“(B) 2019 THROUGH 2023 CROP YEARS.—Effective for the 2019 through 2023 crop years, if the yield per planted acre for the covered commodity or historical county yield per planted acre for the covered commodity for any of



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the 5 most recent crop years, as determined by the Secretary, is less than 80 percent of the transitional yield, as determined by the Secretary, the amounts used for any of those years in paragraph (2)(A) or (3)(A)(i) shall be 80 percent of the transitional yield.”;

(D) by redesignating paragraph (5) as paragraph (6);

(E) by inserting after paragraph (4) the following:

“(5) TREND-ADJUSTED YIELD.—The Secretary shall calculate and use a trend-adjusted yield factor to adjust the yield determined under paragraph (2)(A) and subsection (b)(1)(A), taking into consideration, but not exceeding, the trend-adjusted yield factor that is used to increase yield history under the endorsement under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) for that crop and county.”; and

(F) in paragraph (6) (as so redesignated)—

(i) by striking “REFERENCE PRICE.—If the national average market price” and inserting the following: “LOW NATIONAL AVERAGE MARKET PRICE.—

“(A) REFERENCE PRICE.—For the 2014 through 2018 crop years, if the national average market price”; and

(ii) by adding at the end the following:

“(B) EFFECTIVE REFERENCE PRICE.—For the 2019 through 2023 crop years, if the national average market price received by producers during the 12-month marketing year for any of the 5 most recent crop years is lower than the effective reference price for the covered commodity, the Secretary shall use the effective reference price for any of those years for the amounts in paragraph (2)(B) or (3)(A)(ii).”;

(3) in subsection (d)—

(A) in paragraph (1), by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and indenting appropriately;

(B) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and indenting appropriately;

(C) in the matter preceding subparagraph (A) (as so redesignated), by striking “The payment” and inserting the following:

“(1) IN GENERAL.—The payment”; and

(D) by adding at the end the following:

“(2) ANNOUNCEMENT.—Not later than 30 days after the end of each applicable 12-month marketing year for each covered commodity, the Secretary shall publish the payment rate determined under paragraph (1) for each county.”;

(4) in subsection (e), in the matter preceding paragraph (1), by striking “2018” and inserting “2023”;

(5) in subsection (g)—

(A) in paragraph (2), by striking “to the maximum extent practicable,”;

(B) in paragraph (3), by striking “and” after the semicolon at the end;

(C) in paragraph (4)—

(i) in the matter preceding subparagraph (A), by inserting “effective for the 2014 through 2018 crop years,” before “in the case of”; and

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

(D) by adding at the end the following:

“(5) effective for the 2019 through 2023 crop years, in the case of county coverage, assign an actual or benchmark county yield for each planted acre for the crop year for the covered commodity—

“(A) for a county for which county data collected by the Risk Management Agency are sufficient for the Secretary to offer a county-wide insurance product, using the actual average county yield determined by the Risk Management Agency; or

“(B) for a county not described in subparagraph (A), using—

“(i) other sources of yield information, as determined by the Secretary; or

“(ii) the yield history of representative farms in the State, region, or crop reporting district, as determined by the Secretary.”; and

(6) by adding at the end the following:

“(h) PUBLICATIONS.—

“(1) COUNTY GUARANTEE.—

“(A) IN GENERAL.—For each crop year for a covered commodity, the Secretary shall publish information describing, for that crop year for the covered commodity in each county—

“(i) the agriculture risk coverage guarantee for county coverage determined under subsection (c)(1);

“(ii) the average historical county yield determined under subsection (c)(2)(A); and

“(iii) the national average market price determined under subsection (c)(2)(B).

“(B) TIMING.—

“(i) IN GENERAL.—Except as provided in clauses (ii) and (iii), not later than 30 days after the end of each applicable 12-month marketing year, the Secretary shall publish the information described in subparagraph (A).

“(ii) INSUFFICIENT DATA.—In the case of a covered commodity, such as temperate japonica rice, for which the Secretary cannot determine the national average market price for the most recent 12-month marketing year by the date described in clause (i) due to insufficient reporting of timely pricing data by 1 or more nongovernmental entities, including a marketing cooperative for the covered commodity, as soon as practicable after the pricing data are made available, the Secretary shall publish information describing—

“(I) the agriculture risk coverage guarantee under subparagraph (A)(i); and

“(II) the national average market price under subparagraph (A)(iii).

“(iii) TRANSITION.—Not later than 60 days after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary shall publish the information described in clauses (i) and (ii) of subparagraph (A) for the 2018 crop year.



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“(2) ACTUAL AVERAGE COUNTY YIELD.—As soon as practicable after each crop year, the Secretary shall determine and publish each actual average county yield for each covered commodity, as determined under subsection (b)(1)(A).

“(3) DATA SOURCES FOR COUNTY YIELDS.—For the 2018 crop year and each crop year thereafter, the Secretary shall make publicly available information describing, for the most recent crop year—

“(A) the sources of data used to calculate county yields under subsection (c)(2)(A) for each covered commodity—

“(i) by county; and

“(ii) nationally; and

“(B) the number and outcome of occurrences in which the Farm Service Agency reviewed, changed, or determined not to change a source of data used to calculate county yields under subsection (c)(2)(A).

“(i) ADMINISTRATIVE UNITS.—

“(1) IN GENERAL.—For purposes of agriculture risk coverage payments in the case of county coverage, a county may be divided into not greater than 2 administrative units in accordance with this subsection.

“(2) ELIGIBLE COUNTIES.—A county that may be divided into administrative units under this subsection is a county that—

“(A) is larger than 1,400 square miles; and

“(B) contains more than 190,000 base acres.

“(3) ELECTIONS.—Before making any agriculture risk coverage payments for the 2019 crop year, the Farm Service Agency State committee, in consultation with the Farm Service Agency county or area committee of a county described in paragraph (2), may make a 1-time election to divide the county into administrative units under this subsection along a boundary that better reflects differences in weather patterns, soil types, or other factors.

“(4) LIMITATION.—The Secretary shall—

“(A) limit the number of counties that may be divided into administrative units under paragraph (3) to 25 counties; and

“(B) give preference to the division of counties that have greater variation in climate, soils, and expected productivity between the proposed administrative units.

“(5) ADMINISTRATION.—For purposes of providing agriculture risk coverage payments in the case of county coverage, the Secretary shall consider an administrative unit elected under paragraph (3) to be a county for the 2019 through 2023 crop years.”.

**SEC. 1108. REPEAL OF TRANSITION ASSISTANCE FOR PRODUCERS OF UPLAND COTTON.**

Section 1119 of the Agricultural Act of 2014 (7 U.S.C. 9019) is repealed.

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## Subtitle B—Marketing Loans

### SEC. 1201. EXTENSIONS.

(a) **IN GENERAL.**—Section 1201(b)(1) of the Agricultural Act of 2014 (7 U.S.C. 9031(b)(1)) is amended by striking “2018” and inserting “2023”.

(b) **REPAYMENT.**—Section 1204 of the Agricultural Act of 2014 (7 U.S.C. 9034) is amended—

(1) in subsection (e)(2)(B), in the matter preceding clause (i), by striking “2019” and inserting “2024”; and

(2) in subsection (g), by striking “2018” and inserting “2023”.

(c) **LOAN DEFICIENCY PAYMENTS.**—

(1) **EXTENSION.**—Section 1205(a)(2)(B) of the Agricultural Act of 2014 (7 U.S.C. 9035(a)(2)(B)) is amended by striking “2018” and inserting “2023”.

(2) **PAYMENTS IN LIEU OF LDPS.**—Section 1206 of the Agricultural Act of 2014 (7 U.S.C. 9036) is amended in subsections (a) and (d) by striking “2018” each place it appears and inserting “2023”.

### SEC. 1202. LOAN RATES FOR NONRECOURSE MARKETING ASSISTANCE LOANS.

(a) **IN GENERAL.**—Section 1202 of the Agricultural Act of 2014 (7 U.S.C. 9032) is amended—

(1) in subsection (a), by striking the subsection heading and inserting “**2014 THROUGH 2018 CROP YEARS**”;

(2) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively;

(3) by inserting after subsection (a) the following:

“(b) **2019 THROUGH 2023 CROP YEARS.**—For purposes of each of the 2019 through 2023 crop years, the loan rate for a marketing assistance loan under section 1201 for a loan commodity shall be equal to the following:

“(1) In the case of wheat, \$3.38 per bushel.

“(2) In the case of corn, \$2.20 per bushel.

“(3) In the case of grain sorghum, \$2.20 per bushel.

“(4) In the case of barley, \$2.50 per bushel.

“(5) In the case of oats, \$2.00 per bushel.

“(6)(A) Subject to subparagraphs (B) and (C), in the case of base quality of upland cotton, the simple average of the adjusted prevailing world price for the 2 immediately preceding marketing years, as determined by the Secretary and announced October 1 preceding the next domestic planting.

“(B) Except as provided in subparagraph (C), the loan rate determined under subparagraph (A) may not equal less than an amount equal to 98 percent of the loan rate for base quality of upland cotton for the preceding year.

“(C) The loan rate determined under subparagraph (A) may not be equal to an amount—

“(i) less than \$0.45 per pound; or

“(ii) more than \$0.52 per pound.

“(7) In the case of extra long staple cotton, \$0.95 per pound.

“(8) In the case of long grain rice, \$7.00 per hundredweight.

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“(9) In the case of medium grain rice, \$7.00 per hundredweight.

“(10) In the case of soybeans, \$6.20 per bushel.

“(11) In the case of other oilseeds, \$10.09 per hundredweight for each of the following kinds of oilseeds:

“(A) Sunflower seed.

“(B) Rapeseed.

“(C) Canola.

“(D) Safflower.

“(E) Flaxseed.

“(F) Mustard seed.

“(G) Crambe.

“(H) Sesame seed.

“(I) Other oilseeds designated by the Secretary.

“(12) In the case of dry peas, \$6.15 per hundredweight.

“(13) In the case of lentils, \$13.00 per hundredweight.

“(14) In the case of small chickpeas, \$10.00 per hundredweight.

“(15) In the case of large chickpeas, \$14.00 per hundredweight.

“(16) In the case of graded wool, \$1.15 per pound.

“(17) In the case of nongraded wool, \$0.40 per pound.

“(18) In the case of mohair, \$4.20 per pound.

“(19) In the case of honey, \$0.69 per pound.

“(20) In the case of peanuts, \$355 per ton.”; and

(4) in subsection (c) (as so redesignated), by striking “subsection (a)(11)” and inserting “subsections (a)(11) and (b)(11)”.

(b) CONFORMING AMENDMENT.—Section 1204(h)(1) of the Agricultural Act of 2014 (7 U.S.C. 9034(h)(1)) is amended by striking “section 1202(a)(20)” and inserting “subsection (a)(20) or (b)(20), as applicable, of section 1202”.

**SEC. 1203. ECONOMIC ADJUSTMENT ASSISTANCE FOR TEXTILE MILLS.**

(a) 2008 AUTHORITY.—Section 1207 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8737) is amended by striking subsection (c).

(b) 2014 AUTHORITY.—Section 1207(c) of the Agricultural Act of 2014 (7 U.S.C. 9037(c)) is amended by striking the subsection heading and inserting “ECONOMIC ADJUSTMENT ASSISTANCE FOR TEXTILE MILLS”.

**SEC. 1204. SPECIAL COMPETITIVE PROVISIONS FOR EXTRA LONG STAPLE COTTON.**

(a) IN GENERAL.—Section 1208(a) of the Agricultural Act of 2014 (7 U.S.C. 9038(a)) is amended in the matter preceding paragraph (1) by striking “2019” and inserting “2024”.

(b) PAYMENTS UNDER PROGRAM; TRIGGER.—Section 1208(b)(2) of the Agricultural Act of 2014 (7 U.S.C. 9038(b)(2)) is amended by striking “134 percent” and inserting “113 percent”.

**SEC. 1205. AVAILABILITY OF RECOURSE LOANS.**

(a) IN GENERAL.—Section 1209 of the Agricultural Act of 2014 (7 U.S.C. 9039) is amended in subsections (a)(2) and (b) by striking “2018” each place it appears and inserting “2023”.

(b) RECOURSE LOANS AVAILABLE FOR CONTAMINATED COMMODITIES.—Section 1209 of the Agricultural Act of 2014 (7 U.S.C. 9039) is amended—

(1) by redesignating subsection (c) as subsection (d); and

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(2) by inserting after subsection (b) the following:

“(c) RECOURSE LOANS AVAILABLE FOR CONTAMINATED COMMODITIES.—In the case of a loan commodity that is ineligible for 100 percent of the nonrecourse marketing loan rate in the county due to a determination that the commodity is contaminated yet still merchantable, for each of the 2019 through 2023 crops of such loan commodity, the Secretary shall make available recourse commodity loans, at the rate provided under section 1202, on any production.”.

## Subtitle C—Sugar

### SEC. 1301. SUGAR POLICY.

#### (a) SUGAR PROGRAM.—

(1) SUGARCANE.—Section 156(a) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272(a)) is amended—

(A) in paragraph (3), by striking “and” at the end;

(B) in paragraph (4), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(5) 19.75 cents per pound for raw cane sugar for each of the 2019 through 2023 crop years.”.

(2) SUGAR BEETS.—Section 156(b)(2) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272(b)(2)) is amended by striking “2018” and inserting “2023”.

(3) EFFECTIVE PERIOD.—Section 156(i) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272(i)) is amended by striking “2018” and inserting “2023”.

#### (b) FLEXIBLE MARKETING ALLOTMENTS FOR SUGAR.—

(1) SUGAR ESTIMATES.—Section 359b(a)(1) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359bb(a)(1)) is amended by striking “2018” and inserting “2023”.

(2) EFFECTIVE PERIOD.—Section 359l(a) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359ll(a)) is amended by striking “2018” and inserting “2023”.

## Subtitle D—Dairy Margin Coverage and Other Dairy Related Provisions

### SEC. 1401. DAIRY MARGIN COVERAGE.

(a) REVIEW OF DATA USED IN CALCULATION OF AVERAGE FEED COST.—Not later than 60 days after the date of the enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report evaluating the extent to which the average cost of feed used by a dairy operation to produce a hundredweight of milk calculated by the Secretary as required by section 1402(a) of the Agricultural Act of 2014 (7 U.S.C. 9052(a)) is representative of actual dairy feed costs.

(b) CORN SILAGE REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the

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Senate a report detailing the costs incurred by dairy operations in the use of corn silage as feed, and the difference between the feed cost of corn silage and the feed cost of corn.

7 USC 9052 note.

(c) COLLECTION OF ALFALFA HAY DATA.—Not later than 120 days after the date of the enactment of this Act, the Secretary, acting through the National Agricultural Statistics Service, shall revise monthly price survey reports to include prices for high-quality alfalfa hay in the top five milk producing States, as measured by volume of milk produced during the previous month.

(d) REGISTRATION OF MULTIPRODUCER DAIRY OPERATIONS.—Section 1404(b) of the Agricultural Act of 2014 (7 U.S.C. 9054(b)) is amended—

(1) by redesignating paragraph (4) as paragraph (5); and  
(2) by striking paragraph (3) and inserting the following:

“(3) ELECTION PERIOD FOR 2019 CALENDAR YEAR.—For the 2019 calendar year, the Secretary shall—

“(A) open the election period not later than 60 days after the effective date described in section 1401(m) of the Agriculture Improvement Act of 2018; and

“(B) hold that election period open for not less than 90 days.

“(4) TREATMENT OF MULTIPRODUCER DAIRY OPERATION.—

“(A) IN GENERAL.—If a participating dairy operation is operated by more than 1 dairy producer, the dairy producers of the dairy operation who elect to participate shall be treated as a single dairy operation for purposes of participating in dairy margin coverage.

“(B) RULE OF CONSTRUCTION.—Subparagraph (A) shall not be construed to allow a producer to adjust the proportion of their share covered under tier I or tier II premiums from the proportion covered for the operation.”.

(e) RELATION TO LIVESTOCK GROSS MARGIN FOR DAIRY PROGRAM.—

(1) IN GENERAL.—Section 1404 of the Agricultural Act of 2014 (7 U.S.C. 9054) is amended by striking subsection (d).

(2) RETROACTIVE PROGRAM OPTION.—Section 1404(b)(2) of the Agricultural Act of 2014 (7 U.S.C. 9054(b)(2)) is amended—

(A) by striking “The Secretary” and inserting the following:

“(A) IN GENERAL.—The Secretary”; and

(B) by adding at the end the following:

“(B) RETROACTIVE PROGRAM OPTION.—In the case of a dairy operation that, by operation of subsection (d) (as in effect on the day before the date of enactment of the Agriculture Improvement Act of 2018), was ineligible to participate in the margin protection program for any part of calendar year 2018, the Secretary shall establish a new election period for that calendar year that ends on a date that is not less than 90 days after the date of enactment of the Agriculture Improvement Act of 2018 and the Secretary determines is necessary for dairy operations to make new elections to participate in the margin protection program (as in effect on the day before the date of enactment of the Agriculture Improvement Act of 2018) for that calendar year, including dairy operations that elected to participate in the livestock gross margin for dairy program under the Federal Crop Insurance Act (7 U.S.C. 1501 et

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seq.) before the date of enactment of the Bipartisan Budget Act of 2018 (Public Law 115–123).”.

(f) PRODUCTION HISTORY OF PARTICIPATING DAIRY OPERATORS.—

(1) ADJUSTMENT.—Section 1405 of the Agricultural Act of 2014 (7 U.S.C. 9055) is amended—

(A) in subsection (a)—

(i) in paragraph (2), by striking “In subsequent years” and inserting “In the subsequent calendar years ending before January 1, 2019”; and

(ii) in paragraph (3), by inserting “, as applicable” after “paragraph (2)”; and

(B) in subsection (b)—

(i) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and indenting appropriately;

(ii) in the matter preceding subparagraph (A) (as so redesignated), by striking “In the case” and inserting the following:

“(1) DAIRY OPERATIONS WITH LESS THAN 1 YEAR OF PRODUCTION HISTORY.—In the case”; and

(iii) by adding at the end the following:

“(2) DAIRY OPERATIONS WITH 1 YEAR OR MORE OF PRODUCTION HISTORY.—In the case of a participating dairy operation that was not in operation prior to January 1, 2014, that has not established a production history, and that has been in operation for equal to or longer than 1 year, the participating dairy operation shall elect the annual milk marketings during any 1 calendar year to determine the production history of the participating dairy operation.

“(3) ADJUSTMENT.—The Secretary shall adjust the production history of a participating dairy operation determined under paragraph (1) or (2) to reflect any increase or decrease in the national average milk production relative to calendar year 2017.”.

(2) LIMITATION ON CHANGES TO BUSINESS STRUCTURE.—Section 1405 of the Agricultural Act of 2014 (7 U.S.C. 9055) is amended by adding at the end the following new subsection:

“(d) LIMITATION ON CHANGES TO BUSINESS STRUCTURE.—The Secretary may not make dairy margin coverage payments to a participating dairy operation if the Secretary determines that the participating dairy operation has reorganized the structure of such operation solely for the purpose of qualifying as a new operation under subsection (b).”.

(g) COVERAGE LEVEL THRESHOLD AND COVERAGE PERCENTAGE.—Section 1406 of the Agricultural Act of 2014 (7 U.S.C. 9056) is amended by striking subsection (a) and inserting the following:

“(a) COVERAGE LEVEL THRESHOLD AND COVERAGE PERCENTAGE.—

“(1) COVERAGE LEVEL THRESHOLD.—

“(A) IN GENERAL.—For purposes of receiving dairy margin coverage payments for a month, a participating dairy operation shall annually elect a coverage level threshold that is equal to \$4.00, \$4.50, \$5.00, \$5.50, \$6.00, \$6.50, \$7.00, \$7.50, \$8.00, \$8.50, \$9.00, or \$9.50.

“(B) APPLICABILITY.—Except as provided in subparagraph (C), the coverage level threshold elected under



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subparagraph (A) shall apply to the covered production elected by the participating dairy operation under paragraph (2).

“(C) SECOND COVERAGE ELECTION FOR TIER II.—In the case of a participating dairy operation that elects a coverage level threshold of \$8.50, \$9.00, or \$9.50 under subparagraph (A)—

“(i) that coverage level threshold shall apply to the first 5,000,000 pounds of milk marketings included in the covered production elected by the participating dairy operation; and

“(ii) the participating dairy operation shall elect a coverage level threshold that is equal to \$4.00, \$4.50, \$5.00, \$5.50, \$6.00, \$6.50, \$7.00, \$7.50, or \$8.00 to apply to milk marketings in excess of 5,000,000 pounds included in the covered production elected by the participating dairy operation.

“(2) COVERAGE PERCENTAGE.—For purposes of receiving dairy margin coverage payments for a month, a participating dairy operation shall annually elect a percentage of coverage, in 5-percent increments, not exceeding 95 percent of the production history of the participating dairy operation.”.

(h) PRODUCER PREMIUMS.—Section 1407 of the Agricultural Act of 2014 (7 U.S.C. 9057) is amended—

(1) in subsection (b), by striking paragraphs (2) and (3) and inserting the following:

“(2) PRODUCER PREMIUMS.—Except as provided in subsection (g), the following annual premiums apply:

“Coverage Level	Premium per Cwt.
\$4.00	None
\$4.50	\$0.0025
\$5.00	\$0.005
\$5.50	\$0.030
\$6.00	\$0.050
\$6.50	\$0.070
\$7.00	\$0.080
\$7.50	\$0.090
\$8.00	\$0.100
\$8.50	\$0.105
\$9.00	\$0.110
\$9.50	\$0.150”; and

(2) in subsection (c), by striking paragraph (2) and inserting the following:

“(2) PRODUCER PREMIUMS.—Except as provided in subsection (g), the following annual premiums apply:

“Coverage Level	Premium per Cwt.
\$4.00	None

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“Coverage Level	Premium per Cwt.
\$4.50	\$0.0025
\$5.00	\$0.005
\$5.50	\$0.100
\$6.00	\$0.310
\$6.50	\$0.650
\$7.00	\$1.107
\$7.50	\$1.413
\$8.00	\$1.813”.

(i) REPAYMENT OF PREMIUMS.—Section 1407 of the Agricultural Act of 2014 (7 U.S.C. 9057) is amended by adding at the end the following:

“(f) REPAYMENT OF PREMIUMS.—

“(1) IN GENERAL.—Each dairy operation described in paragraph (2) shall be eligible to receive a repayment from the Secretary in an amount equal to the difference between—

“(A) the total amount of premiums paid by the participating dairy operation under this section for each applicable calendar year; and

“(B) the total amount of payments made to the participating dairy operation under section 1406 for that calendar year.

“(2) ELIGIBILITY.—A dairy operation that is eligible to receive a repayment under paragraph (1) is a dairy operation that—

“(A) participated in the margin protection program, as in effect for any of calendar years 2014 through 2017; and

“(B) submits to the Secretary an application for the repayment at such time, in such manner, and containing such information as the Secretary may require.

“(3) METHOD OF REPAYMENT.—A dairy operation that is eligible to receive a repayment under paragraph (1) shall elect to receive the repayment—

“(A) in an amount equal to 75 percent of the repayment calculated under that paragraph as credit that may be used by the dairy operation for dairy margin coverage premiums; or

“(B) in an amount equal to 50 percent of the repayment calculated under that paragraph as a direct cash repayment.

“(4) APPLICABILITY.—Paragraph (1) shall only apply to a calendar year during the period of calendar years 2014 through 2017 for which the amount described in subparagraph (A) of that paragraph is greater than the amount described in subparagraph (B) of that paragraph.”.

(j) PREMIUM DISCOUNT.—Section 1407 of the Agricultural Act of 2014 (7 U.S.C. 9057) (as amended by subsection (i)) is amended by adding at the end the following:

“(g) PREMIUM DISCOUNT.—The premium per hundredweight specified in the tables contained in subsections (b) and (c) for each coverage level shall be reduced by 25 percent in accordance with the following:



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“(1) IN GENERAL.—For each of calendar years 2019 through 2023, for a participating dairy operation that makes a 1-time election of coverage level in a tier and of a percentage of coverage under section 1406(a) for the 5-year period beginning in January 2019.

“(2) NEW DAIRY OPERATIONS.—For each applicable calendar year through 2023, for a participating dairy operation that—

“(A) establishes a production history pursuant to section 1405(b); and

“(B) makes a 1-time election of coverage level in a tier and of a percentage of coverage under section 1406(a) for the period beginning with the first available calendar year and ending in December 2023.

“(3) FULL PARTICIPATION REQUIRED.—Notwithstanding the annual elections under section 1406(a)—

“(A) a 1-time enrollment under this subsection shall remain in effect for the full duration applicable to a participating dairy operation in accordance with paragraph (1) or (2)(B), as applicable; and

“(B) a participating dairy operation that makes a 1-time enrollment under this subsection and is noncompliant under section 1408 shall be subject to that section.”.

(k) CONFORMING AMENDMENTS RELATED TO PROGRAM NAME.—

(1) HEADING.—The heading of part I of subtitle D of title I of the Agricultural Act of 2014 (Public Law 113–79; 128 Stat. 688) is amended to read as follows:

**“PART I—DAIRY MARGIN COVERAGE”.**

(2) DEFINITIONS.—Section 1401 of the Agricultural Act of 2014 (7 U.S.C. 9051) is amended—

(A) by striking paragraphs (5) and (6) and inserting the following new paragraphs:

“(5) DAIRY MARGIN COVERAGE.—The term ‘dairy margin coverage’ means the dairy margin coverage program required by section 1403.

“(6) DAIRY MARGIN COVERAGE PAYMENT.—The term ‘dairy margin coverage payment’ means a payment made to a participating dairy operation under dairy margin coverage pursuant to section 1406.”; and

(B) in paragraphs (7) and (8), by striking “the margin protection program” both places it appears and inserting “dairy margin coverage”.

(3) CALCULATION OF ACTUAL DAIRY PRODUCTION MARGIN.—Section 1402(b)(1) of the Agricultural Act of 2014 (7 U.S.C. 9052(b)(1)) is amended in the matter preceding subparagraph (A) by striking “the margin protection program” and inserting “dairy margin coverage”.

(4) PROGRAM OPERATION.—Section 1403 of the Agricultural Act of 2014 (7 U.S.C. 9053) is amended—

(A) by striking the section heading and inserting “DAIRY MARGIN COVERAGE”;

(B) by striking “Not later than September 1, 2014, the Secretary shall establish and administer a margin protection program” and inserting the following:

“(a) IN GENERAL.—The Secretary shall continue to administer a dairy margin coverage program”;

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(C) in subsection (a) (as so designated), by striking “margin protection payment” both places it appears and inserting “dairy margin coverage payment”; and

(D) by adding at the end the following:

“(b) REGULATIONS.—Subpart A of part 1430 of title 7, Code of Federal Regulations (as in effect on the date of enactment of the Agriculture Improvement Act of 2018), shall remain in effect for dairy margin coverage beginning with the 2019 calendar year, except to the extent that the regulations are inconsistent with any provision of this Act.”.

(5) PARTICIPATION.—Section 1404 of the Agricultural Act of 2014 (7 U.S.C. 9054) is amended—

(A) in the section heading, by striking “**MARGIN PROTECTION PROGRAM**” and inserting “**DAIRY MARGIN COVERAGE**”;

(B) in subsection (a), by striking “the margin protection program to receive margin protection payments” and inserting “dairy margin coverage to receive dairy margin coverage payments”; and

(C) in subsections (b) and (c), by striking “the margin protection program” each place it appears and inserting “dairy margin coverage”.

(6) PRODUCTION HISTORY.—Section 1405 of the Agricultural Act of 2014 (7 U.S.C. 9055) is amended in subsections (a)(1) and (c) by striking “the margin protection program” each place it appears and inserting “dairy margin coverage”.

(7) PAYMENTS.—Section 1406 of the Agricultural Act of 2014 (7 U.S.C. 9056) is amended—

(A) in the section heading, by striking “**MARGIN PROTECTION**” and inserting “**DAIRY MARGIN COVERAGE**”;

(B) by striking “margin protection” each place it appears and inserting “dairy margin coverage”; and

(C) in the heading of subsection (c), by striking “**MARGIN PROTECTION**”.

(8) PREMIUMS.—Section 1407 of the Agricultural Act of 2014 (7 U.S.C. 9057) is amended—

(A) in the section heading, by striking “**MARGIN PROTECTION PROGRAM**” and inserting “**DAIRY MARGIN COVERAGE**”;

(B) in subsection (a), in the matter preceding paragraph (1), by striking “the margin protection program” and inserting “dairy margin coverage”;

(C) in subsection (d), by striking “program” and inserting “dairy margin coverage”; and

(D) in subsection (e)—

(i) by striking “the margin protection program” both places it appears and inserting “dairy margin coverage”; and

(ii) in paragraph (2), by striking “integrity of the program” and inserting “integrity of dairy margin coverage”.

(9) FAILURE TO PAY ADMINISTRATIVE FEES OR PREMIUMS.—Section 1408 of the Agricultural Act of 2014 (7 U.S.C. 9058) is amended—

(A) in subsection (a)(2), by striking “margin protection” and inserting “dairy margin coverage”; and

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(B) in subsection (b), by striking “the margin protection program” and inserting “dairy margin coverage”.

(10) ADMINISTRATION AND ENFORCEMENT.—Section 1410 of the Agricultural Act of 2014 (7 U.S.C. 9060) is amended—

(A) in subsections (a) and (c), by striking “the margin protection program” each place it appears and inserting “dairy margin coverage”; and

(B) in subsection (b), by striking “margin protection” and inserting “dairy margin coverage”.

(1) DURATION.—Section 1409 of the Agricultural Act of 2014 (7 U.S.C. 9059) is amended—

(1) by striking “The margin protection program” and inserting “Dairy margin coverage”; and

(2) by striking “2018” and inserting “2023”.

7 USC 9051 note.

(m) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2019.

#### SEC. 1402. REAUTHORIZATIONS.

(a) FORWARD PRICING.—Section 1502(e) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8772(e)) is amended—

(1) in paragraph (1), by striking “2018” and inserting “2023”; and

(2) in paragraph (2), by striking “2021” and inserting “2026”.

(b) INDEMNITY PROGRAM.—Section 3 of Public Law 90–484 (7 U.S.C. 4553) is amended by striking “2018” and inserting “2023”.

(c) PROMOTION AND RESEARCH.—Section 113(e)(2) of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4504(e)(2)) is amended by striking “2018” and inserting “2023”.

#### SEC. 1403. CLASS I SKIM MILK PRICE.

(a) CLASS I SKIM MILK PRICE.—Section 8c(5)(A) of the Agricultural Adjustment Act (7 U.S.C. 608c(5)(A)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by striking “Throughout” in the third sentence and all that follows through the period at the end of the fourth sentence and inserting “Throughout the 2-year period beginning on the effective date of this sentence (and subsequent to such 2-year period unless modified by amendment to the order involved), for purposes of determining prices for milk of the highest use classification, the Class I skim milk price per hundredweight specified in section 1000.50(b) of title 7, Code of Federal Regulations (or successor regulations), shall be the sum of the adjusted Class I differential specified in section 1000.52 of such title 7 (or successor regulations), plus the adjustment to Class I prices specified in sections 1005.51(b), 1006.51(b), and 1007.51(b) of such title 7 (or successor regulations), plus the simple average of the advanced pricing factors computed in sections 1000.50(q)(1) and 1000.50(q)(2) of such title 7 (or successor regulations), plus \$0.74.”

7 USC 608c note.

(b) EFFECTIVE DATE AND IMPLEMENTATION.—

(1) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the first day of the first month beginning more than 120 days after the date of enactment of this Act.

(2) IMPLEMENTATION.—Implementation of the amendment made by subsection (a) shall not be subject to any of the following:

(A) The notice and comment provisions of section 553 of title 5, United States Code.

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(B) The notice and hearing requirements of section 8c(3) of the Agricultural Adjustment Act (7 U.S.C. 608c(3)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937.

(C) The order amendment requirements of section 8c(17) of that Act (7 U.S.C. 608c(17)).

(D) A referendum under section 8c(19) of that Act (7 U.S.C. 608c(19)).

**SEC. 1404. DAIRY PRODUCT DONATION.**

(a) **REPEAL OF DAIRY PRODUCT DONATION PROGRAM.**—Section 1431 of the Agricultural Act of 2014 (7 U.S.C. 9071) is repealed.

(b) **MILK DONATION PROGRAM.**—

(1) **IN GENERAL.**—Part III of subtitle D of title I of the Agricultural Act of 2014 (Public Law 113–79; 128 Stat. 695) is amended to read as follows:

**“PART III—MILK DONATION PROGRAM**

**“SEC. 1431. MILK DONATION PROGRAM.**

7 USC 9071.

“(a) **DEFINITIONS.**—In this section:

“(1) **ELIGIBLE DAIRY ORGANIZATION.**—The term ‘eligible dairy organization’ means a dairy farmer (either individually or as part of a cooperative), or a dairy processor, who—

“(A) accounts to a Federal milk marketing order marketwide pool; and

“(B) incurs qualified expenses under subsection (e).

“(2) **ELIGIBLE DISTRIBUTOR.**—The term ‘eligible distributor’ means a public or private nonprofit organization that distributes donated eligible milk.

“(3) **ELIGIBLE MILK.**—The term ‘eligible milk’ means Class I fluid milk products produced and processed in the United States.

“(4) **ELIGIBLE PARTNERSHIP.**—The term ‘eligible partnership’ means a partnership between an eligible dairy organization and an eligible distributor.

“(5) **PARTICIPATING PARTNERSHIP.**—The term ‘participating partnership’ means an eligible partnership for which the Secretary has approved a donation and distribution plan for eligible milk under subsection (c)(2).

“(b) **PROGRAM REQUIRED; PURPOSES.**—Not later than 180 days after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary shall establish and administer a milk donation program for the purposes of—

“(1) encouraging the donation of eligible milk;

“(2) providing nutrition assistance to individuals in low-income groups; and

“(3) reducing food waste.

“(c) **DONATION AND DISTRIBUTION PLANS.**—

“(1) **IN GENERAL.**—To be eligible to receive reimbursement under subsection (d), an eligible partnership shall submit to the Secretary a donation and distribution plan that—

“(A) describes the process that the eligible partnership will use for the donation, processing, transportation, temporary storage, and distribution of eligible milk;

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“(B) includes an estimate of the quantity of eligible milk that the eligible partnership will donate each year, based on—

“(i) preplanned donations; and

“(ii) contingency plans to address unanticipated donations; and

“(C) describes the rate at which the eligible partnership will be reimbursed, which shall be based on a percentage of the limitation described in subsection (e)(2), not to exceed 100 percent.

“(2) REVIEW AND APPROVAL.—Not less frequently than annually, the Secretary shall—

“(A) review donation and distribution plans submitted under paragraph (1); and

“(B) determine whether to approve or disapprove each of those donation and distribution plans.

“(d) REIMBURSEMENT.—

“(1) IN GENERAL.—On receipt of appropriate documentation under paragraph (2), the Secretary shall reimburse an eligible dairy organization that is a member of a participating partnership on a regular basis for qualified expenses described in subsection (e).

“(2) DOCUMENTATION.—

“(A) IN GENERAL.—An eligible dairy organization shall submit to the Secretary such documentation as the Secretary may require to demonstrate the qualified expenses described in subsection (e) of the eligible dairy organization.

“(B) VERIFICATION.—The Secretary may verify the accuracy of documentation submitted under subparagraph (A) by spot checks and audits.

“(3) RETROACTIVE REIMBURSEMENT.—In providing reimbursements under paragraph (1), the Secretary may provide reimbursements for qualified expenses incurred before the date on which the donation and distribution plan for the applicable participating partnership was approved by the Secretary.

“(e) QUALIFIED EXPENSES.—

“(1) IN GENERAL.—The amount of a reimbursement under subsection (d) shall be an amount equal to the product of—

“(A) the quantity of eligible milk donated by the eligible dairy organization under a donation and distribution plan approved by the Secretary under subsection (c); and

“(B) subject to the limitation under paragraph (2), the rate described in that donation and distribution plan under subsection (c)(1)(C).

“(2) LIMITATION.—Expenses eligible for reimbursement under subsection (d) shall not exceed the value that an eligible dairy organization incurred by accounting to the Federal milk marketing order pool at the difference in the Class I milk value and the lowest classified price for the applicable month (either Class III milk or Class IV milk).

“(f) PREAPPROVAL.—

“(1) IN GENERAL.—The Secretary shall—

“(A) establish a process for an eligible partnership to apply for preapproval of donation and distribution plans under subsection (c); and

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“(B) not less frequently than annually, preapprove an amount for qualified expenses described in subsection (e) that the Secretary will allocate for reimbursement under each donation and distribution plan preapproved under subparagraph (A), based on an assessment of—

“(i) the feasibility of the plan; and

“(ii) the extent to which the plan advances the purposes described in subsection (b).

“(2) PREFERENCE.—In preapproving amounts for reimbursement under paragraph (1)(B), the Secretary shall give preference to eligible partnerships that will provide funding and in-kind contributions in addition to the reimbursements.

“(3) ADJUSTMENTS.—

“(A) IN GENERAL.—The Secretary shall adjust or increase amounts preapproved for reimbursement under paragraph (1)(B) based on performance and demand.

“(B) REQUESTS FOR INCREASE.—

“(i) IN GENERAL.—The Secretary shall establish a procedure for a participating partnership to request an increase in the amount preapproved for reimbursement under paragraph (1)(B) based on changes in conditions.

“(ii) INTERIM APPROVAL; INCREMENTAL INCREASE.—The Secretary may provide an interim approval of an increase requested under clause (i) and an incremental increase in the amount of reimbursement to the applicable participating partnership to allow time for the Secretary to review the request without interfering with the donation and distribution of eligible milk by the participating partnership.

“(g) PROHIBITION ON RESALE OF PRODUCTS.—

“(1) IN GENERAL.—An eligible distributor that receives eligible milk donated under this section may not sell the products back into commercial markets.

“(2) PROHIBITION ON FUTURE PARTICIPATION.—An eligible distributor that the Secretary determines has violated paragraph (1) shall not be eligible for any future participation in the program established under this section.

“(h) ADMINISTRATION.—The Secretary shall publicize opportunities to participate in the program established under this section.

“(i) REVIEWS.—The Secretary shall conduct appropriate reviews or audits to ensure the integrity of the program established under this section.

“(j) FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section \$9,000,000 for fiscal year 2019, and \$5,000,000 for each fiscal year thereafter, to remain available until expended.”

(2) CONFORMING AMENDMENT.—Section 1401 of the Agricultural Act of 2014 (7 U.S.C. 9051) is amended, in the matter preceding paragraph (1), by striking “and part III”.



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## Subtitle E—Supplemental Agricultural Disaster Assistance

### SEC. 1501. SUPPLEMENTAL AGRICULTURAL DISASTER ASSISTANCE.

(a) MEMBERS OF INDIAN TRIBES.—Section 1501(a)(1)(B) of the Agricultural Act of 2014 (7 U.S.C. 9081(a)(1)(B)) is amended—

(1) by redesignating clauses (iii) and (iv) as clauses (iv) and (v), respectively; and

(2) by inserting after clause (ii) the following:

“(iii) an Indian tribe or tribal organization (as those terms are defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304));”.

(b) COVERED LIVESTOCK LOSSES FOR LIVESTOCK INDEMNITY PAYMENTS.—Section 1501(b) of the Agricultural Act of 2014 (7 U.S.C. 9081(b)) is amended—

(1) in paragraph (1)—

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

(B) in subparagraph (B), by striking “cold.” and inserting “cold, on the condition that in the case of the death loss of unweaned livestock due to that adverse weather, the Secretary may disregard any management practice, vaccination protocol, or lack of vaccination by the eligible producer on a farm; or”; and

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

“(C) disease that, as determined by the Secretary—

“(i) is caused or transmitted by a vector; and

“(ii) is not susceptible to control by vaccination or acceptable management practices.”; and

(2) in paragraph (4), by striking “A payment” and inserting “PAYMENT REDUCTIONS.—A payment”.

(c) EMERGENCY ASSISTANCE FOR LIVESTOCK, HONEY BEES, AND FARM-RAISED FISH.—

(1) IN GENERAL.—Section 1501(d)(2) of the Agricultural Act of 2014 (7 U.S.C. 9081(d)(2)) is amended by inserting “, including inspections of cattle tick fever” before the period at the end.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to inspections of cattle tick fever conducted on or after the date of enactment of this Act.

(d) TREE ASSISTANCE PROGRAM.—Section 1501(e) of the Agricultural Act of 2014 (7 U.S.C. 9081(e)) is amended—

(1) in paragraph (3), in the matter preceding subparagraph (A), by striking “paragraph (4)” and inserting “paragraphs (4) and (5)”; and

(2) by adding at the end the following:

“(5) PAYMENT RATE FOR BEGINNING AND VETERAN PRODUCERS.—Subject to paragraph (4), in the case of a beginning farmer or rancher or a veteran farmer or rancher (as those terms are defined in subsection (a) of section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279)) that is eligible to receive assistance under this subsection, the Secretary shall provide reimbursement of 75 percent of the costs under subparagraphs (A)(i) and (B) of paragraph (3).”.

7 USC 9081 note.

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(e) PAYMENT LIMITATION.—Section 1501(f)(2) of the Agricultural Act of 2014 (7 U.S.C. 9081(f)(2)) is amended by striking “this section (excluding payments received under subsections (b) and (e))” and inserting “subsection (c)”.

## Subtitle F—Noninsured Crop Assistance

### SEC. 1601. NONINSURED CROP ASSISTANCE PROGRAM.

Section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by adding at the end the following:

“(C) DATA COLLECTION AND SHARING.—The Secretary shall coordinate with the Administrator of the Risk Management Agency on the type and format of data received under the noninsured crop disaster assistance program that—

“(i) best facilitates the use of that data in developing policies or plans of insurance offered under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.); and

“(ii) ensures the availability of that data on a regular basis.

“(D) COORDINATION.—The Secretary shall coordinate between the agencies of the Department that provide programs or services to farmers and ranchers that are potentially eligible for the noninsured crop disaster assistance program under this section—

“(i) to make available coverage under—

“(I) the fee waiver under subsection (k)(2); or

“(II) the premium discount under subsection

(l)(3); and

“(ii) to share eligibility information to reduce paperwork and avoid duplication.”;

(B) in paragraph (2), by striking subparagraph (A) and inserting the following:

“(A) IN GENERAL.—Subject to subparagraph (B), in this section, the term ‘eligible crop’ means each commercial crop or other agricultural commodity that is produced for food or fiber (except livestock) for which catastrophic risk protection under subsection (b) of section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508) and additional coverage under subsections (c) and (h) of such section are not available or, if such coverage is available, it is only available under a policy that provides coverage for specific intervals based on weather indexes or under a whole farm plan of insurance.”; and

(C) in paragraph (4)(B)—

(i) by striking clause (i) and inserting the following:

“(i) IN GENERAL.—

“(I) AGRICULTURAL ACT OF 2014.—During the first 4 crop years of planting, as determined by the Secretary, native sod acreage that has been tilled for the production of an annual crop during the period beginning on February 8, 2014, and ending on the date of enactment of the Agriculture



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Improvement Act of 2018 shall be subject to a reduction in benefits under this section as described in this subparagraph.

“(II) SUBSEQUENT YEARS.—Native sod acreage that has been tilled for the production of an eligible crop after the date of enactment of the Agriculture Improvement Act of 2018 shall be subject to a reduction in benefits under this section as described in this subparagraph for not more than any 4 crop years—

“(aa) during the first 10 crop years after the initial tillage; and

“(bb) during which a crop on that acreage is enrolled under subsection (l)(2) or (k).”; and

(ii) in clause (iii)(I), by striking “transitional yield of the producer” and inserting “county expected yield”;

(2) in subsection (b)—

(A) in paragraph (1), by striking “not later than 30 days” and inserting “by an appropriate deadline”; and

(B) by adding at the end the following:

“(4) STREAMLINED SUBMISSION PROCESS.—The Secretary shall establish a streamlined process for the submission of records and acreage reports under paragraphs (2) and (3) for diverse production systems such as those typical of urban production systems, other small-scale production systems, and direct-to-consumer production systems.”;

(3) in subsection (d)—

(A) by redesignating paragraphs (1), (2), and (3) as paragraphs (2), (3), and (4), respectively;

(B) by inserting before paragraph (2) (as so redesignated) the following:

“(1) the producer’s share of the total acres devoted to the eligible crop; by”; and

(C) in paragraph (2) (as so redesignated), by striking “established yield for the crop” and inserting “approved yield for the crop, as determined by the Secretary”;

(4) in subsection (e)—

(A) in paragraph (1), by striking “farm” and inserting “approved”;

(B) in paragraph (2)—

(i) in the second sentence—

(I) by inserting “approved” before “yield”; and

(II) by striking “Subject” and inserting the following:

“(B) CALCULATION.—Subject”; and

(ii) in the matter preceding subparagraph (B) (as so designated)—

(I) by striking “yield coverage” and inserting “an approved yield”; and

(II) by striking “The Secretary” and inserting the following:

“(A) IN GENERAL.—The Secretary”; and

(C) in paragraph (3), by striking “transitional yield of the producer” and inserting “county expected yield”;

(5) in subsection (i)(2), by striking “exceed \$125,000” and inserting the following: “exceed—

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- “(A) in the case of catastrophic coverage under subsection (c), \$125,000; and
- “(B) in the case of additional coverage under subsection (l), \$300,000”;
- (6) in subsection (k)(1)—
- (A) in subparagraph (A), by striking “\$250” and inserting “\$325”; and
- (B) in subparagraph (B)—
- (i) by striking “\$750” and inserting “\$825”; and
- (ii) by striking “\$1,875” and inserting “\$1,950”;
- and
- (7) in subsection (l)—
- (A) in paragraph (1)—
- (i) by redesignating subparagraphs (A), (B), and (C) as subparagraphs (B), (C), and (D), respectively;
- (ii) by inserting before subparagraph (B) (as so redesignated) the following:
- “(A) the producer’s share of the total acres devoted to the crop;”;
- and
- (iii) in subparagraph (C) (as so redesignated), by inserting “, contract price, or other premium price (such as a local, organic, or direct market price, as elected by the producer)” after “price”;
- (B) in paragraph (2)(B)(i)—
- (i) in subclause (IV), by striking “and” at the end;
- (ii) in subclause (V), by striking “or” at the end and inserting “and”; and
- (iii) by adding at the end the following:
- “(VI) the producer’s share of the crop; or”;
- (C) by striking paragraphs (3) and (5); and
- (D) by redesignating paragraph (4) as paragraph (3).

## Subtitle G—Administration

### SEC. 1701. REGULATIONS.

Section 1601(c)(2) of the Agricultural Act of 2014 (7 U.S.C. 9091(c)(2)) is amended—

- (1) in the matter preceding subparagraph (A), by striking “title and sections 11003 and 11017” and inserting “title, sections 11003 and 11017, title I of the Agriculture Improvement Act of 2018 and the amendments made by that title, and section 10109 of that Act”;
- (2) in subparagraph (A), by adding “and” at the end;
- (3) in subparagraph (B), by striking “; and” and inserting a period; and
- (4) by striking subparagraph (C).

### SEC. 1702. SUSPENSION OF PERMANENT PRICE SUPPORT AUTHORITY.

Section 1602 of the Agricultural Act of 2014 (7 U.S.C. 9092) is amended by striking “2018” each place it appears and inserting “2023”.

### SEC. 1703. PAYMENT LIMITATIONS.

(a) IN GENERAL.—Section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) is amended—

- (1) in subsection (a)—

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(A) in paragraph (1), by striking “section 1001 of the Food, Conservation, and Energy Act of 2008” and inserting “section 1111 of the Agricultural Act of 2014 (7 U.S.C. 9011)”; and

(B) in paragraph (2), by inserting “first cousin, niece, nephew,” after “sibling,”;

(2) in subsections (b) and (c), by striking “and as marketing loan gains or loan deficiency payments under subtitle B of title I of the Agricultural Act of 2014” each place it appears and inserting “of the Agricultural Act of 2014 (7 U.S.C. 9016, 9017)”; and

(3) in subsection (f), by adding at the end the following:

“(9) ADMINISTRATION OF REDUCTION.—The Secretary shall apply any order described in section 1614(d)(1) of the Agricultural Act of 2014 (7 U.S.C. 9097(d)(1)) to payments under sections 1116 and 1117 of that Act (7 U.S.C. 9016, 9017) prior to applying payment limitations under this section.”.

7 USC 1308 note.

(b) APPLICATION.—The amendments made by this section shall apply beginning with the 2019 crop year.

#### SEC. 1704. ADJUSTED GROSS INCOME LIMITATIONS.

(a) WAIVER.—Section 1001D(b) of the Food Security Act of 1985 (7 U.S.C. 1308–3a(b)) is amended—

(1) in paragraph (2)(C), by inserting “title II of the Agriculture Improvement Act of 2018,” after “under”; and

(2) by adding at the end the following:

“(3) WAIVER.—The Secretary may waive the limitation established by paragraph (1) with respect to a payment pursuant to a covered benefit described in paragraph (2)(C), on a case-by-case basis, if the Secretary determines that environmentally sensitive land of special significance would be protected as a result of such waiver.”.

(b) CONFORMING AMENDMENT.—Section 1001D(b)(1) of the Food Security Act of 1985 (7 U.S.C. 1308–3a(b)(1)) is amended by inserting “subject to paragraph (3),” after “of law,”.

7 USC 1308–3a note.

(c) TRANSITION.—Section 1001D of the Food Security Act of 1985 (7 U.S.C. 1308–3a), as in effect on the day before the date of enactment of this Act, shall apply with respect to the 2018 crop, fiscal, or program year, as appropriate, for each program described in subsection (b)(2) of that section (as so in effect on that day).

7 USC 6932 note.

#### SEC. 1705. FARM SERVICE AGENCY ACCOUNTABILITY.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall establish policies, procedures, and plans to improve program accountability and integrity through targeted and coordinated activities, including utilizing data mining to identify and reduce errors, waste, fraud, and abuse in programs administered by the Farm Service Agency.

(b) REPORT.—Not later than 3 years after the date of enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the progress and results of the activities conducted under subsection (a).

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**SEC. 1706. IMPLEMENTATION.**

(a) **MAINTENANCE OF BASE ACRES AND PAYMENT YIELDS.**—Section 1614(a) of the Agricultural Act of 2014 (7 U.S.C. 9097(a)) is amended by inserting “, and as adjusted pursuant to sections 1112 and 1113” before the period at the end.

(b) **STREAMLINING.**—Section 1614 of the Agricultural Act of 2014 (7 U.S.C. 9097) is amended by striking subsection (b) and inserting the following:

“(b) **STREAMLINING.**—In implementing this title and the amendments made by this title, the Secretary shall—

“(1) continue to reduce administrative burdens and costs to producers by streamlining and reducing paperwork, forms, and other administrative requirements, to ensure that—

“(A) a producer (or an agent of a producer) may report information, electronically (including geospatial data) or conventionally, to the Department of Agriculture, subject to the Secretary—

“(i) establishing reasonable levels of tolerance that reflect the differences in accuracy between measures of common land units and geospatial data; and

“(ii) ensuring that discrepancies that occur within the levels of tolerance established under clause (i) shall not be used to penalize a producer (or an agent of a producer) under any program administered by the Department of Agriculture;

“(B) on the request of a producer (or an agent of a producer), the Department of Agriculture electronically shares with the producer (or agent) in real time and without cost to the producer (or agent) the common land unit data, related farm level data, conservation practices, and other information of the producer through a single Department of Agriculture-wide login;

“(C) not later than September 30, 2020, the Administrator of the Risk Management Agency and the Administrator of the Farm Service Agency shall implement a consistent method for determining crop acreage, acreage yields, farm acreage, property descriptions, and other common informational requirements, including measures of common land units;

“(D) except in the case of misrepresentation, fraud, or scheme and device, no crop insurance agent, approved insurance provider, or employee or contractor of a crop insurance agency or approved insurance provider bears responsibility or liability under the Acreage Crop Reporting and Streamlining Initiative (or any successor or similar initiative) for the eligibility of a producer for a program administered by the Department of Agriculture, not including a policy or plan of insurance offered under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.); and

“(E) on request of a crop insurance agent or approved insurance provider required to deliver policies and plans of insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) the crop insurance agent or approved insurance provider receives, in a timely manner, any information held by the Farm Service Agency that is necessary to ensure effective crop insurance coverage for farmer customers;

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“(2) continue to improve coordination, information sharing, and administrative work among the Farm Service Agency, Risk Management Agency, Natural Resources Conservation Service, and other agencies, as determined by the Secretary;

“(3) continue to take advantage of new technologies to enhance the efficiency and effectiveness of the delivery of Department of Agriculture programs to producers, including by developing and making publicly available data standards and security procedures to allow third-party providers to develop applications that use or feed data (including geospatial and precision agriculture data) into the datasets and analyses of the Department of Agriculture; and

“(4) reduce administrative burdens on producers participating in price loss coverage or agriculture risk coverage by offering—

“(A) those producers an option to remotely and electronically sign annual contracts for that coverage; and

“(B) to the maximum extent practicable, an option to sign a multiyear contract for that coverage.”.

(c) IMPLEMENTATION.—Section 1614(c) of the Agricultural Act of 2014 (7 U.S.C. 9097(c)) is amended by adding at the end the following:

“(4) AGRICULTURE IMPROVEMENT ACT OF 2018.—The Secretary shall make available to the Farm Service Agency to carry out title I of the Agriculture Improvement Act of 2018 and the amendments made by that title \$15,500,000.”.

(d) LOAN IMPLEMENTATION.—Section 1614(d)(1) of the Agricultural Act of 2014 (7 U.S.C. 9097(d)(1)) is amended by striking “under subtitles” and all that follows through “except” and inserting “under subtitle B or C, under the amendments made by subtitle B or C, or under the amendments made by subtitle B or C of the Agriculture Improvement Act of 2018, except”.

(e) DEOBLIGATION OF UNLIQUIDATED OBLIGATIONS.—Section 1614 of the Agricultural Act of 2014 (7 U.S.C. 9097) is amended by adding at the end the following:

“(e) DEOBLIGATION OF UNLIQUIDATED OBLIGATIONS.—

“(1) IN GENERAL.—Subject to paragraph (3), any payment obligated or otherwise made available by the Secretary under this title on or after the date of enactment of the Agriculture Improvement Act of 2018 that is not disbursed to the recipient by the date that is 5 years after the date on which the payment is obligated or otherwise made available shall—

“(A) be deobligated; and

“(B) revert to the Treasury.

“(2) OUTSTANDING PAYMENTS.—

“(A) IN GENERAL.—Subject to paragraph (3), any payment obligated or otherwise made available by the Farm Service Agency (or any predecessor agency of the Department of Agriculture) under the laws described in subparagraph (B) before the date of enactment of the Agriculture Improvement Act of 2018, that is not disbursed by the date that is 5 years after the date on which the payment is obligated or otherwise made available shall—

“(i) be deobligated; and

“(ii) revert to the Treasury.

“(B) LAWS DESCRIBED.—The laws referred to in subparagraph (A) are any of the following:

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“(i) This title.

“(ii) Title I of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8702 et seq.).

“(iii) Title I of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7901 et seq.).

“(iv) The Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

“(v) Titles I through XI of the Food, Agriculture, Conservation, and Trade Act of 1990 (Public Law 101–624; 104 Stat. 3374) and the amendments made by those titles.

“(vi) Titles I through X of the Food Security Act of 1985 (Public Law 99–198; 99 Stat. 1362) and the amendments made by those titles.

“(vii) Titles I through XI of the Agriculture and Food Act of 1981 (Public Law 97–98; 95 Stat. 1218) and the amendments made by those titles.

“(viii) Titles I through X of the Food and Agriculture Act of 1977 (Public Law 95–113; 91 Stat. 917) and the amendments made by those titles.

“(3) WAIVER.—The Secretary may delay the date of the deobligation and reversion under paragraph (1) or (2) of any payment—

“(A) that is the subject of—

“(i) ongoing administrative review or appeal;

“(ii) litigation; or

“(iii) the settlement of an estate; or

“(B) for which the Secretary otherwise determines that the circumstances are such that the delay is equitable.”.

(f) REPORT.—Section 1614 of the Agricultural Act of 2014 (7 U.S.C. 9097) (as amended by subsection (e)) is amended by adding at the end the following:

“(f) REPORT.—Not later than January 1, 2020, and each January 1 thereafter through January 1, 2023, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the tilled native sod acreage that was subject to a reduction in benefits under section 196(a)(4)(B) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333(a)(4)(B) and section 508(o)(2) of the Federal Crop Insurance Act (7 U.S.C. 1508(o)(2))—

“(1) as of the date of submission of the report; and

“(2) by State and county, relative to the total acres of cropland in the State or county.”.

**SEC. 1707. EXEMPTION FROM CERTAIN REPORTING REQUIREMENTS FOR CERTAIN PRODUCERS.**

31 USC 6101  
note.

(a) DEFINITION OF EXEMPTED PRODUCER.—In this section, the term “exempted producer” means an individual or entity that is eligible to participate in—

(1) a conservation program under title II or a law amended by title II;

(2) an indemnity or disease control program under the Animal Health Protection Act (7 U.S.C. 8301 et seq.) or the Plant Protection Act (7 U.S.C. 7701 et seq.); or

(3) a commodity program under title I of the Agricultural Act of 2014 (7 U.S.C. 9011 et seq.), excluding the assistance



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provided to users of cotton under sections 1207(c) and 1208 of that Act (7 U.S.C. 9037(c), 9038).

(b) EXEMPTION.—Notwithstanding the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109–282; 31 U.S.C. 6101 note), the requirements of parts 25 and 170 of title 2, Code of Federal Regulations (or successor regulations), shall not apply with respect to assistance received by an exempted producer from the Secretary, acting through the Chief of the Natural Resources Conservation Service, the Administrator of the Animal and Plant Health Inspection Service, or the Administrator of the Farm Service Agency.

## TITLE II—CONSERVATION

### Subtitle A—Wetland Conservation

#### SEC. 2101. WETLAND CONVERSION.

Section 1221(d) of the Food Security Act of 1985 (16 U.S.C. 3821(d)) is amended—

(1) by striking “Except as” and inserting the following:

“(1) IN GENERAL.—Except as”; and

(2) by adding at the end the following:

“(2) DUTY OF THE SECRETARY.—No person shall become ineligible under paragraph (1) if the Secretary determines that an exemption under section 1222(b) applies to that person.”.

#### SEC. 2102. WETLAND CONSERVATION.

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

(1) by striking “No program” and inserting the following:

“(1) IN GENERAL.—No program”;

(2) in paragraph (1) (as so designated), by inserting “, which, except as provided in paragraph (2), shall be conducted in the presence of the affected person” before the period at the end; and

(3) by adding at the end the following:

“(2) EXCEPTION.—The Secretary may conduct an on-site visit under paragraph (1) without the affected person present if the Secretary has made a reasonable effort to include the presence of the affected person at the on-site visit.”.

#### SEC. 2103. MITIGATION BANKING.

Section 1222(k)(1)(B) of the Food Security Act of 1985 (16 U.S.C. 3822(k)(1)(B)) is amended to read as follows:

“(B) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this paragraph \$5,000,000 for each of fiscal years 2019 through 2023.”.

### Subtitle B—Conservation Reserve Program

#### SEC. 2201. CONSERVATION RESERVE.

(a) IN GENERAL.—Section 1231(a) of the Food Security Act of 1985 (16 U.S.C. 3831(a)) is amended by striking “2018” and inserting “2023”.

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

(1) in paragraph (1)(B), by striking “Agricultural Act of 2014 (except for land enrolled in the conservation reserve program as of that date)” and inserting “Agriculture Improvement Act of 2018, on the condition that the Secretary shall consider to be planted cropland enrolled in the conservation reserve program”;

(2) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively;

(3) by inserting after paragraph (3) the following:

“(4) cropland, marginal pasture land, and grasslands that will have a positive impact on water quality and will be devoted to—

“(A) a grass sod waterway;

“(B) a contour grass sod strip;

“(C) a prairie strip;

“(D) a filterstrip;

“(E) a riparian buffer;

“(F) a wetland or a wetland buffer;

“(G) a saturated buffer;

“(H) a bioreactor; or

“(I) another similar water quality practice, as determined by the Secretary.”;

(4) in paragraph (5) (as so redesignated)—

(A) in subparagraph (C), by striking “or filterstrips or riparian buffers devoted to trees, shrubs, or grasses” and inserting “salt tolerant vegetation, field borders, or practices to benefit State or federally identified wellhead protection areas”; and

(B) in subparagraph (E), by striking “or” after the semicolon;

(5) in paragraph (6) (as so redesignated), in subparagraph (B)(ii), by striking the period at the end and inserting “; or”; and

(6) by adding at the end the following:

“(7) as determined by the Secretary, land—

“(A) that was enrolled in the conservation reserve program under a 15-year contract that expired on September 30, 2017, or September 30, 2018;

“(B) for which there was no opportunity for additional enrollment in that program; and

“(C) on which the conservation practice under the expired contract under subparagraph (A) is maintained.”.

(c) ENROLLMENT.—Section 1231(d) of the Food Security Act of 1985 (16 U.S.C. 3831(d)) is amended—

(1) in paragraph (1), by striking subparagraphs (A) through (E) and inserting the following:

“(A) fiscal year 2019, not more than 24,000,000 acres;

“(B) fiscal year 2020, not more than 24,500,000 acres;

“(C) fiscal year 2021, not more than 25,000,000 acres;

“(D) fiscal year 2022, not more than 25,500,000 acres;

and

“(E) fiscal year 2023, not more than 27,000,000 acres.”;

(2) in paragraph (2)—

(A) by striking subparagraphs (A) and (B) and inserting the following:



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“(A) LIMITATION.—For purposes of applying the limitations in paragraph (1)—

“(i) the Secretary shall enroll and maintain in the conservation reserve not fewer than 2,000,000 acres of the land described in subsection (b)(3) by September 30, 2023; and

“(ii) in carrying out clause (i), to the maximum extent practicable, the Secretary shall maintain in the conservation reserve at any one time during—

“(I) fiscal year 2019, 1,000,000 acres;

“(II) fiscal year 2020, 1,500,000 acres; and

“(III) fiscal years 2021 through 2023, 2,000,000 acres.

“(B) PRIORITY.—In enrolling acres under subparagraph (A), the Secretary may give priority to land, as determined by the Secretary—

“(i) with expiring conservation reserve contracts;

“(ii) at risk of conversion or development; or

“(iii) of ecological significance, including land that—

“(I) may assist in the restoration of threatened or endangered species under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.);

“(II) may assist in preventing a species from being listed as a threatened or endangered species under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.); or

“(III) improves or creates wildlife habitat corridors.”;

(B) in subparagraph (C)—

(i) by striking “In enrolling” and inserting the following:

“(i) IN GENERAL.—In enrolling”;

(ii) in clause (i) (as so designated), by striking “a continuous” and inserting “an annual”; and

(iii) by adding at the end the following:

“(ii) TIMING OF GRASSLAND RANKING PERIOD.—For purposes of grasslands described in subsection (b)(3), the Secretary shall announce at least 1 ranking period subsequent to the announcement of general enrollment offers.”; and

(C) by adding at the end the following:

“(D) RESERVATION OF UNENROLLED ACRES.—If the Secretary is unable in a fiscal year to enroll enough acres of land described in subsection (b)(3) to meet the number of acres described in clause (ii) or (iii) of subparagraph (A) for the fiscal year—

“(i) the Secretary shall reserve the remaining number of acres for that fiscal year for the enrollment of land described in subsection (b)(3); and

“(ii) that number of acres shall not be available for the enrollment of any other type of eligible land.”; and

(3) by adding at the end the following:

“(3) WATER QUALITY PRACTICES TO FOSTER CLEAN LAKES, ESTUARIES, AND RIVERS (CLEAR INITIATIVE).—

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“(A) IN GENERAL.—The Secretary shall give priority within continuous enrollment under paragraph (6) to the enrollment of land described in subsection (b)(4).

“(B) SEDIMENT AND NUTRIENT LOADINGS.—In carrying out subparagraph (A), the Secretary shall give priority to the implementation of practices on land that, if enrolled, will help reduce sediment loadings, nutrient loadings, and harmful algal blooms, as determined by the Secretary.

“(C) ACREAGE.—

“(i) IN GENERAL.—Of the acres maintained in the conservation reserve in accordance with paragraph (1), to the maximum extent practicable, not less than 40 percent of acres enrolled in the conservation reserve using continuous enrollment under paragraph (6) shall be of land described in subsection (b)(4).

“(ii) LIMITATION.—The acres described in clause (i) shall not include grasslands described in subsection (b)(3).

“(D) REPORT.—The Secretary shall—

“(i) in the monthly publication of the Secretary describing conservation reserve program statistics, include a description of enrollments through the priority under this paragraph; and

“(ii) publish on the website of the Farm Service Agency an annual report describing a summary of, with respect to the enrollment priority under this paragraph—

“(I) new enrollments;

“(II) expirations;

“(III) geographic distribution; and

“(IV) estimated water quality benefits.

“(4) STATE ENROLLMENT RATES.—At the beginning of each of fiscal years 2019 through 2023, to the maximum extent practicable, the Secretary shall allocate to the States proportionately 60 percent of the available number of acres each year for enrollment in the conservation reserve, in accordance with historical State enrollment rates, taking into consideration—

“(A) the average number of acres of all land enrolled in the conservation reserve in each State during each of fiscal years 2007 through 2016;

“(B) the average number of acres of all land enrolled in the conservation reserve nationally during each of fiscal years 2007 through 2016; and

“(C) the acres available for enrollment during each of fiscal years 2019 through 2023, excluding acres described in paragraph (2).

“(5) FREQUENCY.—In carrying out this subchapter, for contracts that are not available on a continuous enrollment basis, the Secretary shall hold a signup and enrollment not less often than once each year.

“(6) CONTINUOUS ENROLLMENT PROCEDURE.—

“(A) IN GENERAL.—To the maximum extent practicable, the Secretary shall allow producers to submit applications on a continuous basis for enrollment in—

“(i) the conservation reserve of—

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“(I) marginal pasture land described in subsection (b)(2);

“(II) land described in subsection (b)(4); and

“(III) cropland described in subsection (b)(5);

and

“(ii) the conservation reserve enhancement program under section 1231A.

“(B) LIMITATION.—For purposes of applying the limitations in paragraph (1)—

“(i) the Secretary shall, to the maximum extent practicable, enroll and maintain not fewer than 8,600,000 acres of land under subparagraph (A) by September 30, 2023; and

“(ii) in carrying out clause (i), to the maximum extent practicable, the Secretary shall maintain in the conservation reserve at any one time during—

“(I) fiscal year 2019, 8,000,000 acres;

“(II) fiscal year 2020, 8,250,000 acres;

“(III) fiscal year 2021, 8,500,000 acres; and

“(IV) fiscal years 2022 and 2023, 8,600,000 acres.”.

(d) ELIGIBILITY FOR CONSIDERATION.—Section 1231(h) of the Food Security Act of 1985 (16 U.S.C. 3831(h)) is amended—

(1) by striking “On the expiration” and inserting the following:

“(1) IN GENERAL.—On the expiration”; and

(2) by adding at the end the following:

“(2) REENROLLMENT LIMITATION FOR CERTAIN LAND.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), land subject to a contract entered into under this subchapter shall be eligible for only one reenrollment in the conservation reserve under paragraph (1) if the land is devoted to hardwood trees.

“(B) EXCLUSIONS.—Subparagraph (A) shall not apply to—

“(i) riparian forested buffers;

“(ii) forested wetlands enrolled under subsection

(d)(3) or the conservation reserve enhancement program under section 1231A; and

“(iii) shelterbelts.”.

**SEC. 2202. CONSERVATION RESERVE ENHANCEMENT PROGRAM.**

(a) IN GENERAL.—Subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 is amended by inserting after section 1231 (16 U.S.C. 3831) the following:

16 USC 3831a.

**“SEC. 1231A. CONSERVATION RESERVE ENHANCEMENT PROGRAM.**

“(a) DEFINITIONS.—In this section:

“(1) CREP.—The term ‘CREP’ means a conservation reserve enhancement program carried out under subsection (b)(1).

“(2) ELIGIBLE LAND.—The term ‘eligible land’ means land that is eligible to be included in the program established under this subchapter.

“(3) ELIGIBLE PARTNER.—The term ‘eligible partner’ means—

“(A) a State;

“(B) a political subdivision of a State;

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“(C) an Indian tribe (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304)); or

“(D) a nongovernmental organization.

“(4) MANAGEMENT.—The term ‘management’ means an activity conducted by an owner or operator under a contract entered into under this subchapter after the establishment of a conservation practice on eligible land, to regularly maintain or enhance the vegetative cover established by the conservation practice—

“(A) throughout the term of the contract; and

“(B) consistent with the conservation plan that covers the eligible land.

“(b) AGREEMENTS.—

“(1) IN GENERAL.—The Secretary may enter into an agreement with an eligible partner to carry out a conservation reserve enhancement program—

“(A) to assist in enrolling eligible land in the program established under this subchapter; and

“(B) that the Secretary determines will advance the purposes of this subchapter.

“(2) CONTENTS.—An agreement entered into under paragraph (1) shall—

“(A) describe—

“(i) 1 or more specific State or nationally significant conservation concerns to be addressed by the agreement;

“(ii) quantifiable environmental goals for addressing the concerns under clause (i);

“(iii) a suitable acreage goal for enrollment of eligible land under the agreement, as determined by the Secretary;

“(iv) the location of eligible land to be enrolled in the project area identified under the agreement;

“(v) the payments to be offered by the Secretary and eligible partner to an owner or operator; and

“(vi) an appropriate list of conservation reserve program conservation practices that are appropriate to meeting the concerns described under clause (i), as determined by the Secretary in consultation with eligible partners;

“(B) subject to subparagraph (C), require the eligible partner to provide matching funds—

“(i) in an amount determined during a negotiation between the Secretary and 1 or more eligible partners, if the majority of the matching funds to carry out the agreement are provided by 1 or more eligible partners that are not nongovernmental organizations; or

“(ii) in an amount not less than 30 percent of the cost required to carry out the conservation measures and practices described in the agreement, if a majority of the matching funds to carry out the agreement are provided by 1 or more nongovernmental organizations; and

“(C) include procedures to allow for a temporary waiver of the matching requirements under subparagraph (B), or

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continued enrollment with a temporary suspension of incentives or eligible partner contributions for new agreements, during a period when an eligible partner loses the authority or ability to provide matching contributions, if the Secretary determines that the temporary waiver or continued enrollment with a temporary suspension will advance the purposes of this subchapter.

“(3) EFFECT ON EXISTING AGREEMENTS.—

“(A) IN GENERAL.—Subject to subparagraph (B), an agreement under this subsection shall not affect, modify, or interfere with existing agreements under this subchapter.

“(B) MODIFICATION OF EXISTING AGREEMENTS.—To implement this section, the signatories to an agreement under this subsection may mutually agree to a modification of an agreement entered into before the date of enactment of this section under the Conservation Reserve Enhancement Program established by the Secretary under this subchapter.

“(c) PAYMENTS.—

“(1) MATCHING REQUIREMENT.—Funds provided by an eligible partner may be in cash, in-kind contributions, or technical assistance, as determined by the Secretary.

“(2) MARGINAL PASTURELAND COST-SHARE PAYMENTS.—The Secretary shall ensure that cost-share payments to an owner or operator to install stream fencing, crossings, and alternative water development on marginal pastureland under a CREP reflect the fair market value of the cost of installation.

“(3) COST-SHARE AND PRACTICE INCENTIVE PAYMENTS.—

“(A) IN GENERAL.—On request of an owner or operator, the Secretary shall provide cost-share payments when a major component of a conservation practice is completed under a CREP, as determined by the Secretary.

“(B) EXEMPTION.—For purposes of implementing conservation practices on land enrolled under a CREP, the Secretary may waive the contribution limitation described in section 1234(b)(2)(A).

“(4) RIPARIAN BUFFER MANAGEMENT PAYMENTS.—

“(A) IN GENERAL.—In the case of an agreement under subsection (b)(1) that includes riparian buffers as an eligible practice, the Secretary shall make cost-share payments to encourage the regular management of the riparian buffer throughout the term of the agreement, consistent with the conservation plan that covers the eligible land.

“(B) LIMITATION.—The amount of payments received by an owner or operator under subparagraph (A) shall not be greater than 100 percent of the normal and customary projected management cost, as determined by the Secretary, in consultation with the applicable State technical committee established under section 1261(a).

“(d) FORESTED RIPARIAN BUFFER PRACTICE.—

“(1) FOOD-PRODUCING WOODY PLANTS.—In the case of an agreement under subsection (b)(1) that includes forested riparian buffers as an eligible practice, the Secretary shall allow an owner or operator—

“(A) to plant food-producing woody plants in the forested riparian buffers, on the conditions that—

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“(i) the plants shall contribute to the conservation of soil, water quality, and wildlife habitat; and

“(ii) the planting shall be consistent with—

“(I) recommendations of the applicable State technical committee established under section 1261(a); and

“(II) technical guide standards of the applicable field office of the Natural Resources Conservation Service; and

“(B) to harvest from plants described in subparagraph (A), on the conditions that—

“(i) the harvesting shall not damage the conserving cover or otherwise have a negative impact on the conservation concerns targeted by the CREP;

“(ii) only native plant species appropriate to the region shall be used within 35 feet of the watercourse; and

“(iii) the producer shall be subject to a reduction in the rental rate commensurate to the value of the crop harvested.

“(2) TECHNICAL ASSISTANCE.—For the purpose of enrolling forested riparian buffers in a CREP, the Administrator of the Farm Service Agency shall coordinate with the applicable State forestry agency.

“(e) DROUGHT AND WATER CONSERVATION AGREEMENTS.—In the case of an agreement under subsection (b)(1) to address regional drought concerns, in accordance with the conservation purposes of the CREP, the Secretary, in consultation with the applicable State technical committee established under section 1261(a), may—

“(1) notwithstanding subsection (a)(2), enroll other agricultural land on which the resource concerns identified in the agreement can be addressed if the enrollment of the land is critical to the accomplishment of the purposes of the agreement;

“(2) permit dryland agricultural uses with the adoption of best management practices on enrolled land if the agreement involves the significant long-term reduction of consumptive water use and dryland production is compatible with the agreement; and

“(3) calculate annual rental payments consistent with existing administrative practice for similar drought and water conservation agreements under this subtitle and ensure regional consistency in those rates.

“(f) STATUS REPORT.—Not later than 180 days after the end of each fiscal year, the Secretary shall submit to Congress a report that describes, with respect to each agreement entered into under subsection (b)(1)—

“(1) the status of the agreement;

“(2) the purposes and objectives of the agreement;

“(3) the Federal and eligible partner commitments made under the agreement; and

“(4) the progress made in fulfilling those commitments.”.

(b) CONFORMING AMENDMENTS.—

(1) Section 1240R(c)(3) of the Food Security Act of 1985 (16 U.S.C. 3839bb–5(c)(3)) is amended by striking “a special conservation reserve enhancement program described in section 1234(f)(4)” and inserting “a conservation reserve enhancement program under section 1231A”.



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(2) Section 1244(f)(3) of the Food Security Act of 1985 (16 U.S.C. 3844(f)(3)) is amended by striking “subsection (d)(2)(A)(ii) or (g)(2) of section 1234” and inserting “section 1231A”.

**SEC. 2203. FARMABLE WETLAND PROGRAM.**

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

(1) in subsection (a)(1), by striking “2018” and inserting “2023”; and

(2) in subsection (f)(2), by striking “1234(d)(2)(A)(ii)” and inserting “1234(d)”.

**SEC. 2204. PILOT PROGRAMS.**

Subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 is amended by inserting after section 1231B (16 U.S.C. 3831b) the following:

16 USC 3831c.

**“SEC. 1231C. PILOT PROGRAMS.**

“(a) CLEAR 30.—

“(1) IN GENERAL.—

“(A) ENROLLMENT.—The Secretary shall establish a pilot program to enroll land in the conservation reserve program through a 30-year conservation reserve contract (referred to in this subsection as a ‘CLEAR 30 contract’) in accordance with this subsection.

“(B) INCLUSION OF ACREAGE LIMITATION.—For purposes of applying the limitations in section 1231(d)(1), the Secretary shall include acres of land enrolled under this subsection.

“(2) EXPIRED CONSERVATION CONTRACT ELECTION.—

“(A) DEFINITION OF COVERED CONTRACT.—In this paragraph, the term ‘covered contract’ means a contract entered into under this subchapter that—

“(i) expires on or after the date of enactment of the Agriculture Improvement Act of 2018; and

“(ii) covers land enrolled in the conservation reserve program under the clean lakes, estuaries, and rivers priority described in section 1231(d)(3) (or the predecessor practices that constitute the priority, as determined by the Secretary).

“(B) ELECTION.—On the expiration of a covered contract, an owner or operator party to the covered contract shall elect—

“(i) not to reenroll the land under the contract;

“(ii) to offer to reenroll the land under the contract if the land remains eligible under the terms in effect as of the date of expiration; or

“(iii) not to reenroll the land under the contract and to enroll that land through a CLEAR 30 contract under this subsection.

“(3) ELIGIBLE LAND.—Only land that is subject to an expired covered contract shall be eligible for enrollment through a CLEAR 30 contract under this subsection.

“(4) TERM.—The term of a CLEAR 30 contract shall be 30 years.

“(5) AGREEMENTS.—To be eligible to enroll land in the conservation reserve program through a CLEAR 30 contract,

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the owner of the land shall enter into an agreement with the Secretary—

“(A) to implement a conservation reserve plan developed for the land;

“(B) to comply with the terms and conditions of the contract and any related agreements; and

“(C) to temporarily suspend the base history for the land covered by the contract.

“(6) TERMS AND CONDITIONS OF CLEAR 30 CONTRACTS.—

“(A) IN GENERAL.—A CLEAR 30 contract shall include terms and conditions that—

“(i) permit—

“(I) repairs, improvements, and inspections on the land that are necessary to maintain existing public drainage systems; and

“(II) owners to control public access on the land while identifying access routes to be used for restoration activities and management and contract monitoring;

“(ii) prohibit—

“(I) the alteration of wildlife habitat and other natural features of the land, unless specifically authorized by the Secretary as part of the conservation reserve plan;

“(II) the spraying of the land with chemicals or the mowing of the land, except where the spraying or mowing is authorized by the Secretary or is necessary—

“(aa) to comply with Federal or State noxious weed control laws;

“(bb) to comply with a Federal or State emergency pest treatment program; or

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

“(III) any activity to be carried out on the land of the owner or successor that is immediately adjacent to, and functionally related to, the land that is subject to the contract if the activity will alter, degrade, or otherwise diminish the functional value of the land; and

“(IV) the adoption of any other practice that would tend to defeat the purposes of the conservation reserve program, as determined by the Secretary; and

“(iii) include any additional provision that the Secretary determines is appropriate to carry out this section or facilitate the practical administration of this section.

“(B) VIOLATION.—On the violation of a term or condition of a CLEAR 30 contract, the Secretary may require the owner to refund all or part of any payments received by the owner under the conservation reserve program, with interest on the payments, as determined appropriate by the Secretary.

“(C) COMPATIBLE USES.—Land subject to a CLEAR 30 contract may be used for compatible economic uses,



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including hunting and fishing, managed timber harvest, or periodic haying or grazing, if the use—

“(i) is specifically permitted by the conservation reserve plan developed for the land; and

“(ii) is consistent with the long-term protection and enhancement of the conservation resources for which the contract was established.

“(7) COMPENSATION.—

“(A) AMOUNT OF PAYMENTS.—The Secretary shall provide payment under this subsection to an owner of land enrolled through a CLEAR 30 contract using 30 annual payments in an amount equal to the amount that would be used if the land were to be enrolled in the conservation reserve program under section 1231(d)(3).

“(B) FORM OF PAYMENT.—Compensation for a CLEAR 30 contract shall be provided by the Secretary in the form of a cash payment in an amount determined under subparagraph (A).

“(C) TIMING.—The Secretary shall provide any annual payment obligation under subparagraph (A) as early as practicable in each fiscal year.

“(D) PAYMENTS TO OTHERS.—The Secretary shall make a payment, in accordance with regulations prescribed by the Secretary, in a manner as the Secretary determines is fair and reasonable under the circumstances, if an owner who is entitled to a payment under this section—

“(i) dies;

“(ii) becomes incompetent;

“(iii) is succeeded by another person or entity who renders or completes the required performance; or

“(iv) is otherwise unable to receive the payment.

“(8) TECHNICAL ASSISTANCE.—

“(A) IN GENERAL.—The Secretary shall assist owners in complying with the terms and conditions of a CLEAR 30 contract.

“(B) CONTRACTS OR AGREEMENTS.—The Secretary may enter into 1 or more contracts with private entities or agreements with a State, nongovernmental organization, or Indian Tribe to carry out necessary maintenance of a CLEAR 30 contract if the Secretary determines that the contract or agreement will advance the purposes of the conservation reserve program.

“(9) ADMINISTRATION.—

“(A) CONSERVATION RESERVE PLAN.—The Secretary shall develop a conservation reserve plan for any land subject to a CLEAR 30 contract, which shall include practices and activities necessary to maintain, protect, and enhance the conservation value of the enrolled land.

“(B) DELEGATION OF CONTRACT ADMINISTRATION.—

“(i) FEDERAL, STATE, OR LOCAL GOVERNMENT AGENCIES.—The Secretary may delegate any of the management, monitoring, and enforcement responsibilities of the Secretary under this subsection to other Federal, State, or local government agencies that have the appropriate authority, expertise, and resources necessary to carry out those delegated responsibilities.

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- “(ii) CONSERVATION ORGANIZATIONS.—The Secretary may delegate any management responsibilities of the Secretary under this subsection to conservation organizations if the Secretary determines the conservation organization has similar expertise and resources.
- “(b) SOIL HEALTH AND INCOME PROTECTION PILOT PROGRAM.—
- “(1) DEFINITION OF ELIGIBLE LAND.—In this subsection:
- “(A) IN GENERAL.—The term ‘eligible land’ means cropland that—
- “(i) is selected by the owner or operator of the land for proposed enrollment in the pilot program under this subsection; and
- “(ii) as determined by the Secretary—
- “(I) is located within 1 or more States that are part of the prairie pothole region, as selected by the Secretary based on consultation with State Committees of the Farm Service Agency and State technical committees established under section 1261(a) from that region;
- “(II) had a cropping history or was considered to be planted during each of the 3 crop years preceding enrollment; and
- “(III) is verified to be less-productive land, as compared to other land on the applicable farm.
- “(B) EXCLUSION.—The term ‘eligible land’ does not include any land that was enrolled in a conservation reserve program contract in any of the 3 crop years preceding enrollment in the pilot program under this subsection.
- “(2) ESTABLISHMENT.—
- “(A) IN GENERAL.—The Secretary shall establish a voluntary soil health and income protection pilot program under which eligible land is enrolled through the use of contracts to assist owners and operators of eligible land to conserve and improve the soil, water, and wildlife resources of the eligible land.
- “(B) DEADLINE FOR PARTICIPATION.—Eligible land may be enrolled in the program under this section through December 31, 2020.
- “(3) CONTRACTS.—
- “(A) REQUIREMENTS.—A contract described in paragraph (2) shall—
- “(i) be entered into by the Secretary, the owner of the eligible land, and (if applicable) the operator of the eligible land; and
- “(ii) provide that, during the term of the contract—
- “(I) the lowest practicable cost perennial conserving use cover crop for the eligible land, as determined by the applicable State conservationist after considering the advice of the applicable State technical committee, shall be planted on the eligible land;
- “(II) except as provided in subparagraph (E), the owner or operator of the eligible land shall pay the cost of planting the conserving use cover crop under subclause (I);

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“(III) subject to subparagraph (F), the eligible land may be harvested for seed, hayed, or grazed outside the primary nesting season established for the applicable county;

“(IV) the eligible land may be eligible for a walk-in access program of the applicable State, if any; and

“(V) a nonprofit wildlife organization may provide to the owner or operator of the eligible land a payment in exchange for an agreement by the owner or operator not to harvest the conserving use cover.

“(B) PAYMENTS.—Except as provided in subparagraphs (E) and (F)(ii)(II), the annual rental rate for a payment under a contract described in paragraph (2) shall be equal to 50 percent of the average rental rate for the applicable county under section 1234(d), as determined by the Secretary.

“(C) LIMITATION ON ENROLLED LAND.—Not more than 15 percent of the eligible land on a farm may be enrolled in the pilot program under this subsection.

“(D) TERM.—

“(i) IN GENERAL.—Except as provided in clause (ii), each contract described in paragraph (2) shall be for a term of 3, 4, or 5 years, as determined by the parties to the contract.

“(ii) EARLY TERMINATION.—

“(I) SECRETARY.—The Secretary may terminate a contract described in paragraph (2) before the end of the term described in clause (i) if the Secretary determines that the early termination of the contract is necessary.

“(II) OWNERS AND OPERATORS.—An owner and (if applicable) an operator of eligible land enrolled in the pilot program under this subsection may terminate a contract described in paragraph (2) before the end of the term described in clause (i) if the owner and (if applicable) the operator pay to the Secretary an amount equal to the amount of rental payments received under the contract.

“(E) BEGINNING, LIMITED RESOURCE, SOCIALLY DISADVANTAGED, OR VETERAN FARMERS AND RANCHERS.—With respect to a beginning, limited resource, socially disadvantaged, or veteran farmer or rancher, as determined by the Secretary—

“(i) a contract described in paragraph (2) shall provide that, during the term of the contract, of the actual cost of establishment of the conserving use cover crop under subparagraph (A)(ii)(I)—

“(I) using the funds of the Commodity Credit Corporation, the Secretary shall pay 50 percent; and

“(II) the beginning, limited resource, socially disadvantaged, or veteran farmer or rancher shall pay 50 percent; and

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“(ii) the annual rental rate for a payment under a contract described in paragraph (2) shall be equal to 75 percent of the average rental rate for the applicable county under section 1234(d), as determined by the Secretary.

“(F) HARVESTING, HAYING, AND GRAZING OUTSIDE APPLICABLE PERIOD.—The harvesting for seed, haying, or grazing of eligible land under subparagraph (A)(ii)(III) outside of the primary nesting season established for the applicable county shall be subject to the conditions that—

“(i) with respect to eligible land that is so hayed or grazed, adequate stubble height shall be maintained to protect the soil on the eligible land, as determined by the applicable State conservationist after considering the advice of the applicable State technical committee; and

“(ii) with respect to eligible land that is so harvested for seed—

“(I) the eligible land shall not be eligible to be insured or reinsured under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.); and

“(II) the rental payment otherwise applicable to the eligible land under this subsection shall be reduced by 25 percent.

“(4) ACREAGE LIMITATION.—Of the number of acres available for enrollment in the conservation reserve under section 1231(d)(1), not more than 50,000 total acres of eligible land may be enrolled under the pilot program under this subsection.

“(5) REPORT.—The Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report describing the eligible land enrolled in the pilot program under this subsection, including—

“(A) the estimated conservation value of the land; and

“(B) estimated savings from reduced commodity payments, crop insurance indemnities, and crop insurance premium subsidies.”

#### **SEC. 2205. DUTIES OF OWNERS AND OPERATORS.**

Section 1232(a) of the Food Security Act of 1985 (16 U.S.C. 3832(a)) is amended—

(1) by redesignating paragraphs (10) and (11) as paragraphs (11) and (12), respectively; and

(2) by inserting after paragraph (9) the following:

“(10) on land devoted to hardwood or other trees, excluding windbreaks and shelterbelts, to carry out proper thinning and other practices—

“(A) to enhance the conservation benefits and wildlife habitat resources addressed by the conservation practice under which the land is enrolled; and

“(B) to promote forest management;”

#### **SEC. 2206. DUTIES OF THE SECRETARY.**

(a) COST-SHARE AND RENTAL PAYMENTS.—Section 1233(a) of the Food Security Act of 1985 (16 U.S.C. 3833(a)) is amended—

(1) in paragraph (1), by inserting “, including the cost of fencing and other water distribution practices, if applicable” after “interest”; and

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(2) in paragraph (2)—

(A) in the matter preceding subparagraph (A), by striking “in an amount necessary to compensate” and inserting “, in accordance with section 1234(d),”;

(B) in subparagraph (A)—

(i) by inserting “, marginal pastureland,” after “cropland”; and

(ii) by adding “or” at the end;

(C) by striking subparagraph (B); and

(D) by redesignating subparagraph (C) as subparagraph (B).

(b) SPECIFIED ACTIVITIES PERMITTED.—Section 1233 of the Food Security Act of 1985 (16 U.S.C. 3833) is amended by striking subsection (b) and inserting the following:

“(b) SPECIFIED ACTIVITIES PERMITTED.—

“(1) IN GENERAL.—The Secretary, in coordination with the applicable State technical committee established under section 1261(a), shall permit certain activities or commercial uses of established cover on land that is subject to a contract under the conservation reserve program if—

“(A) those activities or uses—

“(i) are consistent with the conservation of soil, water quality, and wildlife habitat;

“(ii) are subject to appropriate restrictions during the primary nesting season for birds in the local area that are economically significant, in significant decline, or conserved in accordance with Federal or State law;

“(iii) contribute to the health and vigor of the established cover; and

“(iv) are consistent with a site-specific plan, including vegetative management requirements, stocking rates, and frequency and duration of activity, taking into consideration regional differences, such as climate, soil type, and natural resources; and

“(B) the Secretary, in coordination with the State technical committee, includes contract modifications—

“(i) without any reduction in the rental rate for—

“(I) emergency haying, emergency grazing, or other emergency use of the forage in response to a localized or regional drought, flooding, wildfire, or other emergency, on all practices, outside the primary nesting season, when—

“(aa) the county is designated as D2 (severe drought) or greater according to the United States Drought Monitor;

“(bb) there is at least a 40 percent loss in forage production in the county; or

“(cc) the Secretary, in coordination with the State technical committee, determines that the program can assist in the response to a natural disaster event without permanent damage to the established cover;

“(II) emergency grazing on all practices during the primary nesting season if payments are authorized for a county under the livestock forage disaster program under clause (ii) of section 1501(c)(3)(D) of the Agricultural Act of 2014 (7

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U.S.C. 9081(c)(3)(D)), at 50 percent of the normal carrying capacity determined under clause (i) of that section, adjusted to the site-specific plan;

“(III) emergency haying on certain practices, outside the primary nesting season, if payments are authorized for a county under the livestock forage disaster program under clause (ii) of section 1501(c)(3)(D) of the Agricultural Act of 2014 (7 U.S.C. 9081(c)(3)(D)), on not more than 50 percent of contract acres, as identified in the site-specific plan;

“(IV) grazing of all practices, outside the primary nesting season, if included as a mid-contract management practice under section 1232(a)(5);

“(V) the intermittent and seasonal use of vegetative buffer established under paragraphs (4) and (5) of section 1231(b) that are incidental to agricultural production on land adjacent to the buffer such that the permitted use—

“(aa) does not destroy the permanent vegetative cover; and

“(bb) retains suitable vegetative structure for wildlife cover and shelter outside the primary nesting season; or

“(VI) grazing on all practices, outside the primary nesting season, if conducted by a beginning farmer or rancher; or

“(ii) with a 25 percent reduction in the annual rental rate for the acres covered by the authorized activity, including—

“(I) grazing not more frequently than every other year on the same land, except that during the primary nesting season, grazing shall be subject to a 50 percent reduction in the stocking rate specified in the site-specific plan;

“(II) grazing of all practices during the primary nesting season, with a 50 percent reduction in the stocking rate specified in the site-specific plan;

“(III) haying and other commercial use (including the managed harvesting of biomass and excluding the harvesting of vegetative cover), on the condition that the activity—

“(aa) is completed outside the primary nesting season;

“(bb) occurs not more than once every 3 years; and

“(cc) maintains 25 percent of the total contract acres unharvested, in accordance with a site-specific plan that provides for wildlife cover and shelter;

“(IV) annual grazing outside the primary nesting season if consistent with a site-specific plan that is authorized for the control of invasive species; and

“(V) the installation of wind turbines and associated access, except that in permitting the installation of wind turbines, the Secretary shall



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determine the number and location of wind turbines that may be installed, taking into account—

“(aa) the location, size, and other physical characteristics of the land;

“(bb) the extent to which the land contains threatened or endangered wildlife and wildlife habitat; and

“(cc) the purposes of the conservation reserve program under this subchapter.

“(2) CONDITIONS ON HAYING AND GRAZING.—

“(A) IN GENERAL.—The Secretary may permit haying or grazing in accordance with paragraph (1) on any land or practice subject to a contract under the conservation reserve program.

“(B) EXCEPTIONS.—

“(i) DAMAGE TO VEGETATIVE COVER.—Haying or grazing described in paragraph (1) shall not be permitted on land subject to a contract under the conservation reserve program, or under a particular practice, if haying or grazing for that year under that practice, as applicable, would cause long-term damage to vegetative cover on that land.

“(ii) SPECIAL AGREEMENTS.—

“(I) IN GENERAL.—Except as provided in subclause (II), haying or grazing described in paragraph (1) shall not be permitted on—

“(aa) land covered by a contract enrolled under the State acres for wildlife enhancement program established by the Secretary; or

“(bb) land covered by a contract enrolled under a conservation reserve enhancement program established under section 1231A or the Conservation Reserve Enhancement Program established by the Secretary under this subchapter.

“(II) EXCEPTION.—Subclause (I) shall not apply to land on which haying or grazing is specifically permitted under the applicable conservation reserve enhancement program agreement or other partnership agreement entered into under this subchapter.”.

(c) NATURAL DISASTER OR ADVERSE WEATHER AS MID-CONTRACT MANAGEMENT.—Section 1233 of the Food Security Act of 1985 (16 U.S.C. 3833) is amended by adding at the end the following:

“(e) NATURAL DISASTER OR ADVERSE WEATHER AS MID-CONTRACT MANAGEMENT.—In the case of a natural disaster or adverse weather event that has the effect of a management practice consistent with the conservation plan, the Secretary shall not require further management practices pursuant to section 1232(a)(5) that are intended to achieve the same effect.”.

**SEC. 2207. PAYMENTS.**

(a) COST SHARING PAYMENTS.—Section 1234(b) of the Food Security Act of 1985 (16 U.S.C. 3834(b)) is amended—

(1) by striking paragraphs (2) through (4) and inserting the following:

“(2) LIMITATIONS.—



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“(A) IN GENERAL.—The Secretary shall ensure, to the maximum extent practicable, that cost sharing payments to an owner or operator under this subchapter, when combined with the sum of payments from all other funding sources for measures and practices described in paragraph (1), do not exceed 100 percent of the total actual cost of establishing those measures and practices, as determined by the Secretary.

“(B) MID-CONTRACT MANAGEMENT GRAZING.—The Secretary may not make any cost sharing payment to an owner or operator under this subchapter pursuant to section 1232(a)(5).

“(C) SEED COST.—In the case of seed costs related to the establishment of cover, cost sharing payments under this subchapter shall not exceed 50 percent of the actual cost of the seed mixture, as determined by the Secretary.”;

(2) by redesignating paragraph (5) as paragraph (3);

(3) in paragraph (3) (as so redesignated), by striking “An owner” and inserting “Except in the case of incentive payments that are related to the cost of the establishment of a practice and received from eligible partners under the conservation reserve enhancement program under section 1231A, an owner”; and

(4) by adding at the end the following:

“(4) PRACTICE INCENTIVES FOR CONTINUOUS PRACTICES.—In addition to the cost sharing payment described in this subsection, the Secretary shall make an incentive payment to an owner or operator of land enrolled under section 1231(d)(6) in an amount not to exceed 50 percent of the actual cost of establishing all measures and practices described in paragraph (1), including seed costs related to the establishment of cover, as determined by the Secretary.”.

(b) INCENTIVE PAYMENTS.—Section 1234(c) of the Food Security Act of 1985 (16 U.S.C. 3834(c)) is amended—

(1) in the subsection heading, by striking “INCENTIVE” and inserting “FOREST MANAGEMENT INCENTIVE”;

(2) in paragraph (1), by striking “The Secretary” and inserting “Using funds made available under section 1241(a)(1)(A), the Secretary”; and

(3) in paragraph (2), by striking “150 percent” and inserting “100 percent”.

(c) ANNUAL RENTAL PAYMENTS.—Section 1234(d) of the Food Security Act of 1985 (16 U.S.C. 3834(d)) is amended—

(1) in paragraph (1)—

(A) by striking “the Secretary may consider, among other things, the amount” and inserting the following: “the Secretary shall consider—

“(A) the amount”;

(B) in subparagraph (A) (as so designated), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

“(B) the impact on the local farmland rental market;

and

“(C) such other factors as the Secretary determines to be appropriate.”;

(2) in paragraph (2)—

(A) in subparagraph (A)—

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- (i) in clause (i), by striking “; or” and inserting a period;
  - (ii) by striking clause (ii); and
  - (iii) by striking “determined through—” in the matter preceding clause (i) and all that follows through “the submission of bids” in clause (i) and inserting “determined through the submission of applications”;
- (B) by redesignating subparagraph (B) as subparagraph (C);
- (C) by inserting after subparagraph (A) the following:  
“(B) MULTIPLE ENROLLMENTS.—  
“(i) IN GENERAL.—Subject to clause (ii), if land subject to a contract entered into under this subchapter is reenrolled under section 1231(h)(1) or has been previously enrolled in the conservation reserve, the annual rental payment shall be in an amount that is not more than 85 percent in the case of general enrollment contracts, or 90 percent in the case of continuous enrollment contracts, of the applicable estimated average county rental rate published pursuant to paragraph (4) for the year in which the reenrollment occurs.  
“(ii) CONSERVATION RESERVE ENHANCEMENT PROGRAM.—The reduction in annual rental payments under clause (i) may be waived as part of the negotiation between the Secretary and an eligible partner to enter into a conservation reserve enhancement program agreement under section 1231A.”;
- (D) in subparagraph (C) (as so redesignated), by striking “In the case” and inserting “Notwithstanding subparagraph (A), in the case”; and
- (E) by adding at the end the following:  
“(D) CONTINUOUS SIGN-UP INCENTIVES.—The Secretary shall make an incentive payment to the owner or operator of land enrolled under section 1231(d)(6) at the time of initial enrollment in an amount equal to 32.5 percent of the amount of the first annual rental payment under subparagraph (A).”;
- (3) by striking paragraph (4);
- (4) by redesignating paragraph (5) as paragraph (4); and
- (5) in paragraph (4) (as so redesignated)—
- (A) in subparagraph (A)—
    - (i) by striking “, not less frequently than once every other year,” and inserting “annually”; and
    - (ii) by inserting “, and shall publish the estimates derived from the survey not later than September 15 of each year” before the period at the end;
  - (B) in subparagraph (B), by inserting “and the average current and previous soil rental rates for each county” after “subparagraph (A)”;
  - (C) in subparagraph (C), by striking “may use” and inserting “shall consider”; and
  - (D) by adding at the end the following:  
“(D) SUBMISSION OF ADDITIONAL INFORMATION BY STATE FSA OFFICES AND CREP PARTNERS.—  
“(i) IN GENERAL.—The Secretary shall provide an opportunity for State Committees of the Farm Service Agency or eligible partners (as defined in section

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1231A(a)) in conservation reserve enhancement programs under section 1231A to propose an alternative soil rental rate prior to finalizing new rates, on the condition that documentation described in clause (ii) is provided to support the proposed alternative.

“(ii) ACCEPTABLE DOCUMENTATION.—Documentation referred to in clause (i) includes—

“(I) an average of cash rents from a random sample of lease agreements;

“(II) cash rent estimates from a published survey;

“(III) neighboring county estimate comparisons from the National Agricultural Statistics Service;

“(IV) an average of cash rents from Farm Service Agency farm business plans;

“(V) models that estimate cash rents, such as models that use returns to estimate crop production or land value data; or

“(VI) other documentation, as determined by the Secretary.

“(iii) NOTIFICATION.—Not less than 14 days prior to the announcement of new or revised soil rental rates, the Secretary shall offer a briefing to the Chairman and Ranking Member of the Committee on Agriculture of the House of Representatives and the Chairman and Ranking Member of the Committee on Agriculture, Nutrition, and Forestry of the Senate, including information on and the rationale for the alternative rates proposed under clause (i) that were accepted or rejected.

“(E) RENTAL RATE LIMITATION.—Notwithstanding forest management incentive payments described in subsection (c), the county average soil rental rate (before any adjustments relating to specific practices, wellhead protection, or soil productivity) shall not exceed—

“(i) 85 percent of the estimated rental rate determined under this paragraph for general enrollment; or

“(ii) 90 percent of the estimated rental rate determined under this paragraph for continuous enrollment.”.

(d) PAYMENT LIMITATION FOR RENTAL PAYMENTS.—Section 1234(g) of the Food Security Act of 1985 (16 U.S.C. 3834(g)) is amended—

(1) in paragraph (1), by striking “The total” and inserting “Except as provided in paragraph (2), the total”; and

(2) by striking paragraph (2) and inserting the following:

“(2) WELLHEAD PROTECTION.—Paragraph (1) and section 1001D(b) shall not apply to rental payments received by a rural water district or association for land that is enrolled under this subchapter for the purpose of protecting a wellhead.”.

#### SEC. 2208. CONTRACTS.

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

(1) in paragraph (1)—

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(A) in the matter preceding subparagraph (A), by striking “retired farmer or rancher” and inserting “contract holder”;

(B) by striking “retired or retiring owner or operator” each place it appears and inserting “contract holder”;

(C) in subparagraph (A), in the matter preceding clause (i), by striking “1 year” and inserting “2 years”;

(D) in subparagraph (B), by inserting “, including a lease with a term of less than 5 years and an option to purchase” after “option to purchase”;

(E) in subparagraph (D), by striking “; and” and inserting a semicolon;

(F) by redesignating subparagraph (E) as subparagraph (F); and

(G) by inserting after subparagraph (D) the following: “(E) give priority to the enrollment of the land covered by the contract in—

“(i) the environmental quality incentives program established under subchapter A of chapter 4;

“(ii) the conservation stewardship program established under subchapter B of chapter 4; or

“(iii) the agricultural conservation easement program established under subtitle H; and”;

(2) in paragraph (2)—

(A) in the matter preceding subparagraph (A), by striking “The Secretary” and inserting “To the extent that the maximum number of acres permitted to be enrolled under the conservation reserve program has not been met, the Secretary”; and

(B) by striking subparagraph (A) and inserting the following:

“(A)(i) is carried out on land described in paragraph (4) or (5) of section 1231(b); and

“(ii) is eligible for continuous enrollment under section 1231(d)(6); and”.

(b) END OF CONTRACT CONSIDERATIONS.—Section 1235(g) of the Food Security Act of 1985 (16 U.S.C. 3835(g)) is amended to read as follows:

“(g) END OF CONTRACT CONSIDERATIONS.—The Secretary shall not consider an owner or operator to be in violation of a term or condition of the conservation reserve contract if—

“(1) during the year prior to expiration of the contract, the owner or operator—

“(A)(i) enters into a contract under the environmental quality incentives program established under subchapter A of chapter 4; and

“(ii) begins the establishment of a practice under that contract; or

“(B)(i) enters into a contract under the conservation stewardship program established under subchapter B of chapter 4; and

“(ii) begins the establishment of a practice under that contract; or

“(2) during the 3 years prior to the expiration of the contract, the owner or operator begins the certification process under the Organic Foods Production Act of 1990 (7 U.S.C. 6501 et seq.).”.

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**SEC. 2209. ELIGIBLE LAND; STATE LAW REQUIREMENTS.**16 USC 3831  
note.

The Secretary shall revise paragraph (4) of section 1410.6(d) of title 7, Code of Federal Regulations, to provide that land enrolled under a Conservation Reserve Enhancement Program agreement initially established before January 1, 2014 (including an amended or successor Conservation Reserve Enhancement Program agreement, as determined by the Secretary), shall not be ineligible for enrollment in the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) under that paragraph if the Deputy Administrator (as defined in section 1410.2(b) of title 7, Code of Federal Regulations (or successor regulations)), on recommendation from and in consultation with the applicable State technical committee established under section 1261(a) of the Food Security Act of 1985 (16 U.S.C. 3861(a)) determines, under such terms and conditions as the Deputy Administrator, in consultation with the State technical committee, determines to be appropriate, that making that land eligible for enrollment in that program is not contrary to the purposes of that program.

## **Subtitle C—Environmental Quality Incentives Program and Conservation Stewardship Program**

**SEC. 2301. REPEAL OF CONSERVATION PROGRAMS.**

(a) IN GENERAL.—Chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) is amended—

(1) by striking the chapter designation and heading and inserting the following:

**“CHAPTER 4—ENVIRONMENTAL QUALITY INCENTIVES PROGRAM AND CONSERVATION STEWARDSHIP PROGRAM**

**“Subchapter A—Environmental Quality Incentives Program”; and**

(2) by inserting after section 1240H the following:

**“Subchapter B—Conservation Stewardship Program”.**

(b) CONSERVATION STEWARDSHIP PROGRAM.—Subchapter B of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838d et seq.) is amended—

(1) by redesignating sections 1238D through 1238G as sections 1240I through 1240L, respectively; and

(2) by moving sections 1240I through 1240L (as so redesignated) so as to appear after the subchapter heading for subchapter B of chapter 4 of subtitle D of title XII of that Act (as added by subsection (a)(2)).

(c) REPEAL.—

(1) IN GENERAL.—Chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838 et seq.) (as amended by subsection (b)) is repealed.

16 USC  
3838d–3838g.16 USC  
3839aa–21–  
3839aa–24.16 USC  
3838–3838c.

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16 USC 3838d  
note.

(2) TERMINATION OF CONSERVATION STEWARDSHIP PROGRAM.—Effective on the date of enactment of this Act, the conservation stewardship program under subchapter B of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838d et seq.) (as in effect on the day before the date of enactment of this Act) shall cease to be effective.

16 USC  
3839aa–21 note.

(3) TRANSITIONAL PROVISIONS.—

(A) EFFECT ON EXISTING CONTRACTS AND AGREEMENTS.—The cessation of effectiveness under paragraph (2) shall not affect—

(i) the validity or terms of any contract entered into by the Secretary under subchapter B of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838d et seq.) before the date of enactment of this Act, or any payments, modifications, or technical assistance required to be made in connection with the contract; or

(ii) subject to subparagraph (D), any agreement entered into by the Secretary under the regional conservation partnership program under subtitle I of title XII of the Food Security Act of 1985 (16 U.S.C. 3871 et seq.) on or before September 30, 2018, under which conservation stewardship program acres and associated funding have been allocated to the agreement for the purpose of entering into a contract under subchapter B of chapter 2 of subtitle D of title XII of that Act (16 U.S.C. 3838d et seq.) (as in effect on the day before the date of enactment of this Act).

(B) EXTENSION PERMITTED.—Notwithstanding paragraph (2), the Secretary may extend for 1 year a contract described in subparagraph (A)(i) if that contract expires on or before December 31, 2019, under the terms and payment rate of the existing contract and in accordance with subchapter B of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838d et seq.) (as in effect on the day before the date of enactment of this Act).

(C) RENEWAL NOT PERMITTED.—

(i) IN GENERAL.—Notwithstanding subparagraph (A), and subject to clause (ii), the Secretary may not renew a contract or agreement described in that subparagraph.

(ii) EXCEPTION.—The Secretary may renew a contract described in subparagraph (A)(i)—

(I) if that contract expires on or after December 31, 2019;

(II) under the terms of the conservation stewardship program under subchapter B of chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (as added by subsections (a)(2) and (b)); and

(III) subject to the limitation on funding for that subchapter under section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841).

(D) RCPP CONTRACTS.—



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(i) TREATMENT OF ACREAGE.—In the case of an agreement described in subparagraph (A)(ii), the Secretary may provide an amount of funding that is equivalent to the value of any acres covered by the agreement.

(ii) FUNDS AND ACRES NOT OBLIGATED.—In the case of an agreement described in subparagraph (A)(ii) to which program acres and associated funding have been allocated but not yet obligated to enter into a contract under subchapter B of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838d et seq.) (as in effect on the day before the date of enactment of this Act)—

(I) the Secretary shall modify the agreement to authorize the entrance into a contract under subchapter B of chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (as added by subsections (a)(2) and (b)); and

(II) the funds associated with the conservation stewardship program acres allocated under that agreement, on modification under subclause (I), may be used to enter into conservation stewardship program contracts with producers under subchapter B of chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (as added by subsections (a)(2) and (b)).

(4) CONTRACT ADMINISTRATION.—Subject to paragraphs (3)(C) and (3)(D)(ii)(II), the Secretary shall administer each contract and agreement described in clauses (i) and (ii) of paragraph (3)(A) until the expiration of the contract or agreement in accordance with the regulations to carry out the conservation stewardship program under subchapter B of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838d et seq.) (as in effect on the day before the date of enactment of this Act) that are in effect on the day before that date of enactment.

16 USC  
3839aa–21 note.

(5) FUNDING.—Notwithstanding paragraphs (1) and (2), any funds made available from the Commodity Credit Corporation under section 1241(a)(4) of the Food Security Act of 1985 (16 U.S.C. 3841(a)(4)) for fiscal years 2014 through 2018 shall be available to carry out—

16 USC  
3839aa–21 note.

(A) any contract or agreement described in paragraph (3)(A)(i) for fiscal year 2019;

(B) any contract or agreement described in paragraph (3)(A)(ii);

(C) any contract extended under paragraph (3)(B); and

(D) any contract or agreement under subchapter B of chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (as added by subsections (a)(2) and (b)).

(d) CONFORMING AMENDMENTS.—

(1) FOOD SECURITY ACT OF 1985.—

(A) Section 1211(a)(3)(A) of the Food Security Act of 1985 (16 U.S.C. 3811(a)(3)(A)) is amended by inserting “subchapter A of” before “chapter 4”.

(B) Section 1221(b)(3)(A) of the Food Security Act of 1985 (16 U.S.C. 3821(b)(3)(A)) is amended by inserting “subchapter A of” before “chapter 4”.



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(C) Section 1240J(b)(1) of the Food Security Act of 1985 (as redesignated by subsection (b)(1)) is amended by striking subparagraph (C).

(D) Section 1240 of the Food Security Act of 1985 (16 U.S.C. 3839aa) is amended in the matter preceding paragraph (1) by striking “chapter” and inserting “subchapter”.

(E) Section 1240A of the Food Security Act of 1985 (16 U.S.C. 3839aa–1) is amended by striking “chapter” each place it appears and inserting “subchapter”.

(F) Section 1240B(i)(2)(B) of the Food Security Act of 1985 (16 U.S.C. 3839aa–2(i)(2)(B)) is amended by striking “chapter” and inserting “subchapter”.

(G) Section 1240C(b) of the Food Security Act of 1985 (16 U.S.C. 3839aa–3(b)) is amended in the matter preceding paragraph (1) by striking “chapter” and inserting “subchapter”.

(H) Section 1240E(b)(2) of the Food Security Act of 1985 (16 U.S.C. 3839aa–5(b)(2)) is amended by striking “chapter” and inserting “subchapter”.

(I) Section 1240G of the Food Security Act of 1985 (16 U.S.C. 3839aa–7) is amended by striking “chapter” each place it appears and inserting “subchapter”.

(J) Section 1240H of the Food Security Act of 1985 (16 U.S.C. 3839aa–8) is amended by striking “chapter” each place it appears and inserting “subchapter”.

(K) Section 1244(c)(3) of the Food Security Act of 1985 (16 U.S.C. 3844(c)(3)) is amended by inserting “subchapter A of” before “chapter 4”.

(L) Section 1244(l) of the Food Security Act of 1985 (16 U.S.C. 3844(l)) is amended—

(i) by striking “chapter 2” and inserting “chapter 4”; and

(ii) by inserting “subchapter A of” after “incentives program under”.

(2) OTHER LAWS.—

(A) Section 344(f)(8) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1344(f)(8)) is amended by inserting “subchapter A of” before “chapter 4”.

(B) Section 377 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1377) is amended by inserting “subchapter A of” before “chapter 4”.

(C) Paragraph (1) of the last proviso of the matter under the heading “CONSERVATION RESERVE PROGRAM” under the heading “SOIL BANK PROGRAMS” of title I of the Department of Agriculture and Farm Credit Administration Appropriation Act, 1959 (7 U.S.C. 1831a), is amended by inserting “subchapter A of” before “chapter 4”.

(D) Section 8(b)(1) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)(1)) is amended by inserting “subchapter A of” before “chapter 4”.

(E) Section 1271(c)(3)(C) of the Food, Agriculture, Conservation, and Trade Act of 1990 (16 U.S.C. 2106a(c)(3)(C)) is amended by inserting “subchapter A of” before “chapter 4”.

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(F) Section 304(a)(1) of the Lake Champlain Special Designation Act of 1990 (33 U.S.C. 1270 note; Public Law 101–596) is amended by inserting “subchapter A of” before “chapter 4”.

(G) Section 202(c) of the Colorado River Basin Salinity Control Act (43 U.S.C. 1592(c)) is amended by inserting “subchapter A of” before “chapter 4”.

**SEC. 2302. PURPOSES OF ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.**

Section 1240 of the Food Security Act of 1985 (16 U.S.C. 3839aa) is amended by striking paragraph (4) and inserting the following:

“(4) assisting producers to make beneficial, cost-effective changes to production systems, including addressing identified, new, or expected resource concerns related to organic production, grazing management, fuels management, forest management, nutrient management associated with crops and livestock, pest management, irrigation management, adapting to, and mitigating against, increasing weather volatility, drought resiliency measures, or other practices on agricultural and forested land.”

**SEC. 2303. DEFINITIONS UNDER ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.**

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

(1) by redesignating paragraphs (1), (2), (3), (4) and (5) as paragraphs (2), (4), (5), (6), and (8), respectively;

(2) by inserting before paragraph (2) (as so redesignated) the following:

“(1) CONSERVATION PLANNING ASSESSMENT.—The term ‘conservation planning assessment’ means a report, as determined by the Secretary, that—

“(A) is developed by—

“(i) a State or unit of local government (including a conservation district);

“(ii) a Federal agency; or

“(iii) a third-party provider certified under section 1242(e) (including a certified rangeland professional);

“(B) assesses rangeland or cropland function and describes conservation activities to enhance the economic and ecological management of that land; and

“(C) can be incorporated into a comprehensive planning document required by the Secretary for enrollment in a conservation program of the Department of Agriculture.”;

(3) in paragraph (2) (as so redesignated), in subparagraph (B)(vi)—

(A) by inserting “environmentally sensitive areas,” after “marshes,”; and

(B) by inserting “identified or expected” before “resource concerns”;

(4) by inserting after paragraph (2) (as so redesignated) the following:

“(3) INCENTIVE PRACTICE.—The term ‘incentive practice’ means a practice or set of practices approved by the Secretary that, when implemented and maintained on eligible land, address 1 or more priority resource concerns.”;

(5) in paragraph (6) (as so redesignated)—

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- (A) in subparagraph (A)—
  - (i) in clause (iv), by striking “and” at the end;
  - (ii) by redesignating clause (v) as clause (vii); and
  - (iii) by inserting after clause (iv) the following:
    - “(v) soil testing;
    - “(vi) soil remediation to be carried out by the producer; and”;
- (B) in subparagraph (B)—
  - (i) in clause (i), by striking “and” at the end;
  - (ii) by redesignating clause (ii) as clause (vi); and
  - (iii) by inserting after clause (i) the following:
    - “(ii) planning for resource-conserving crop rotations (as defined in section 1240L(d)(1));
    - “(iii) soil health planning, including increasing soil organic matter and the use of cover crops;
    - “(iv) a conservation planning assessment;
    - “(v) precision conservation management planning; and”;
- (6) by inserting after paragraph (6) (as so redesignated) the following:
  - “(7) PRIORITY RESOURCE CONCERN.—The term ‘priority resource concern’ means a natural resource concern or problem, as determined by the Secretary, that—
    - “(A) is identified at the national, State, or local level as a priority for a particular area of a State; and
    - “(B) represents a significant concern in a State or region.”; and
  - (7) by adding at the end the following:
    - “(9) SOIL REMEDIATION.—The term ‘soil remediation’ means scientifically based practices that—
      - “(A) ensure the safety of producers from contaminants in soil;
      - “(B) limit contaminants in soil from entering agricultural products for human or animal consumption; and
      - “(C) regenerate and sustain the soil.
  - “(10) SOIL TESTING.—The term ‘soil testing’ means the evaluation of soil health, including testing for—
    - “(A) the optimal level of constituents in the soil, such as organic matter, nutrients, and the potential presence of soil contaminants, including heavy metals, volatile organic compounds, polycyclic aromatic hydrocarbons, or other contaminants; and
    - “(B) the biological and physical characteristics indicative of proper soil functioning.”.

**SEC. 2304. ESTABLISHMENT AND ADMINISTRATION OF ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.**

(a) ESTABLISHMENT.—Section 1240B(a) of the Food Security Act of 1985 (16 U.S.C. 3839aa–2(a)) is amended by striking “2019” and inserting “2023”.

(b) PAYMENTS.—Section 1240B(d) of the Food Security Act of 1985 (16 U.S.C. 3839aa–2(d)) is amended—

(1) in paragraph (4)(B)—

(A) in clause (i)—

(i) by striking “Not more than” and inserting “On an election by a producer described in subparagraph (A), the Secretary shall provide at least”;

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- (ii) by striking “may be provided”; and
- (iii) by striking “the purpose of” and inserting “all costs related to”; and
- (B) by adding at the end the following:
  - “(iii) NOTIFICATION AND DOCUMENTATION.—The Secretary shall—
    - “(I) notify each producer described in subparagraph (A), at the time of enrollment in the program, of the option to receive advance payments under clause (i); and
    - “(II) document the election of each producer described in subparagraph (A) to receive advance payments under clause (i) with respect to each practice that has costs described in that clause.”; and
- (2) by adding at the end the following:
  - “(7) INCREASED PAYMENTS FOR HIGH-PRIORITY PRACTICES.—
    - “(A) STATE DETERMINATION.—Each State, in consultation with the State technical committee established under section 1261(a) for the State, may designate not more than 10 practices to be eligible for increased payments under subparagraph (B), on the condition that the practice, as determined by the Secretary—
      - “(i) addresses specific causes of impairment relating to excessive nutrients in groundwater or surface water;
      - “(ii) addresses the conservation of water to advance drought mitigation and declining aquifers;
      - “(iii) meets other environmental priorities and other priority resource concerns identified in habitat or other area restoration plans; or
      - “(iv) is geographically targeted to address a natural resource concern in a specific watershed.
    - “(B) INCREASED PAYMENTS.—Notwithstanding paragraph (2), in the case of a practice designated under subparagraph (A), the Secretary may increase the amount that would otherwise be provided for a practice under this subsection to not more than 90 percent of the costs associated with planning, design, materials, equipment, installation, labor, management, maintenance, or training.”.
- (c) ALLOCATION OF FUNDING.—Section 1240B(f) of the Food Security Act of 1985 (16 U.S.C. 3839aa–2(f)) is amended—
  - (1) in paragraph (1)—
    - (A) by striking “2014 through 2018” and inserting “2019 through 2023”;
    - (B) by striking “60” and inserting “50”; and
    - (C) by striking “production.” and inserting “production, including grazing management practices.”; and
  - (2) in paragraph (2)—
    - (A) by striking “For each” and inserting the following:
      - “(A) FISCAL YEARS 2014 THROUGH 2018.—For each”; and
      - (B) by adding at the end the following:
        - “(B) FISCAL YEARS 2019 THROUGH 2023.—For each of fiscal years 2019 through 2023, at least 10 percent of the funds made available for payments under the program

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shall be targeted at practices benefitting wildlife habitat under subsection (g).”.

(d) WILDLIFE HABITAT INCENTIVE PROGRAM.—Section 1240B(g) of the Food Security Act of 1985 (16 U.S.C. 3839aa–2(g)) is amended by adding at the end the following:

“(3) MAXIMUM TERM.—In the case of a contract under the program entered into solely for the establishment of 1 or more annual management practices for the benefit of wildlife as described in paragraph (1), notwithstanding any maximum contract term established by the Secretary, the contract shall have a term that does not exceed 10 years.

“(4) INCLUDED PRACTICES.—For the purpose of providing seasonal wetland habitat for waterfowl and migratory birds, a practice that is eligible for payment under paragraph (1) and targeted for funding under subsection (f) may include—

“(A) a practice to carry out postharvest flooding; or

“(B) a practice to maintain the hydrology of temporary and seasonal wetlands of not more than 2 acres to maintain waterfowl and migratory bird habitat on working cropland.”.

(e) WATER CONSERVATION OR IRRIGATION EFFICIENCY PRACTICE.—Section 1240B(h) of the Food Security Act of 1985 (16 U.S.C. 3839aa–2(h)) is amended—

(1) by striking paragraph (1) and inserting the following:

“(1) AVAILABILITY OF PAYMENTS.—The Secretary may provide water conservation and system efficiency payments under this subsection to an entity described in paragraph (2) or a producer for—

“(A) water conservation scheduling, water distribution efficiency, soil moisture monitoring, or an appropriate combination thereof;

“(B) irrigation-related structural or other measures that conserve surface water or groundwater, including managed aquifer recovery practices; or

“(C) a transition to water-conserving crops, water-conserving crop rotations, or deficit irrigation.”;

(2) by redesignating paragraph (2) as paragraph (3);

(3) by inserting after paragraph (1) the following:

“(2) ELIGIBILITY OF CERTAIN ENTITIES.—

“(A) IN GENERAL.—Notwithstanding section 1001(f)(6), the Secretary may enter into a contract under this subsection with a State, irrigation district, groundwater management district, acequia, land-grant mercedes, or similar entity under a streamlined contracting process to implement water conservation or irrigation practices under a watershed-wide project that will effectively conserve water, provide fish and wildlife habitat, or provide for drought-related environmental mitigation, as determined by the Secretary.

“(B) IMPLEMENTATION.—Water conservation or irrigation practices that are the subject of a contract entered into under subparagraph (A) shall be implemented on—

“(i) eligible land of a producer; or

“(ii) land that is—

“(I) under the control of an irrigation district, groundwater management district, acequia, land-grant mercedes, or similar entity; and

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“(II) adjacent to eligible land described in clause (i), as determined by the Secretary.

“(C) WAIVER AUTHORITY.—The Secretary may waive the applicability of the limitations in section 1001D(b) or section 1240G for a payment made under a contract entered into under this paragraph if the Secretary determines that the waiver is necessary to fulfill the objectives of the project.

“(D) CONTRACT LIMITATIONS.—If the Secretary grants a waiver under subparagraph (C), the Secretary may impose a separate payment limitation for the contract with respect to which the waiver applies.”;

(4) in paragraph (3) (as so redesignated)—

(A) in the matter preceding subparagraph (A), by striking “to a producer” and inserting “under this subsection”;

(B) in subparagraph (A), by striking “the eligible land of the producer is located, there is a reduction in water use in the operation of the producer” and inserting “the land on which the practices will be implemented is located, there is a reduction in water use in the operation on that land”; and

(C) in subparagraph (B), by inserting “except in the case of an application under paragraph (2),” before “the producer agrees”; and

(5) by adding at the end the following:

“(4) EFFECT.—Nothing in this subsection authorizes the Secretary to modify the process for determining the annual allocation of funding to States under the program.”.

(f) PAYMENTS FOR CONSERVATION PRACTICES RELATED TO ORGANIC PRODUCTION.—Section 1240B(i)(3) of the Food Security Act of 1985 (16 U.S.C. 3839aa–2(i)(3)) is amended—

(1) in the first sentence, by striking “Payments” and inserting the following:

“(A) IN GENERAL.—Payments”;

(2) in the second sentence, by striking “In applying these limitations” and inserting the following:

“(B) TECHNICAL ASSISTANCE.—In applying the limitations under subparagraph (A)”;

(3) in subparagraph (A) (as so designated)—

(A) by striking “aggregate, \$20,000 per year or \$80,000 during any 6-year period.” and inserting the following: “aggregate—

“(i) through fiscal year 2018—

“(I) \$20,000 per year; or

“(II) \$80,000 during any 6-year period; and”;

and

(B) by adding at the end the following:

“(ii) during the period of fiscal years 2019 through 2023, \$140,000.”.

(g) CONSERVATION INCENTIVE CONTRACTS.—Section 1240B of the Food Security Act of 1985 (16 U.S.C. 3839aa–2) is amended by adding at the end the following:

“(j) CONSERVATION INCENTIVE CONTRACTS.—

“(1) IDENTIFICATION OF ELIGIBLE PRIORITY RESOURCE CONCERNS FOR STATES.—



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“(A) IN GENERAL.—The Secretary, in consultation with the applicable State technical committee established under section 1261(a), shall identify watersheds (or other appropriate regions or areas within a State) and the corresponding priority resource concerns for those watersheds or other regions or areas that are eligible to be the subject of an incentive contract under this subsection.

“(B) LIMITATION.—For each of the relevant land uses within the watersheds, regions, or other areas identified under subparagraph (A), the Secretary shall identify not more than 3 eligible priority resource concerns.

“(2) CONTRACTS.—

“(A) AUTHORITY.—

“(i) IN GENERAL.—The Secretary shall enter into contracts with producers under this subsection that require the implementation, adoption, management, and maintenance of incentive practices that effectively address at least 1 eligible priority resource concern identified under paragraph (1) for the term of the contract.

“(ii) INCLUSIONS.—Through a contract entered into under clause (i), the Secretary may provide—

“(I) funding, through annual payments, for certain incentive practices to attain increased levels of conservation on eligible land; or

“(II) assistance, through a practice payment, to implement an incentive practice.

“(B) TERM.—A contract under this subsection shall have a term of not less than 5, and not more than 10, years.

“(C) PRIORITIZATION.—Notwithstanding section 1240C, the Secretary shall develop criteria for evaluating incentive practice applications that—

“(i) give priority to applications that address eligible priority resource concerns identified under paragraph (1); and

“(ii) evaluate applications relative to other applications for similar agriculture and forest operations.

“(3) INCENTIVE PRACTICE PAYMENTS.—

“(A) IN GENERAL.—The Secretary shall provide payments to producers through contracts entered into under paragraph (2) for—

“(i) adopting and installing incentive practices; and

“(ii) managing, maintaining, and improving the incentive practices for the duration of the contract, as determined appropriate by the Secretary.

“(B) PAYMENT AMOUNTS.—In determining the amount of payments under subparagraph (A), the Secretary shall consider, to the extent practicable—

“(i) the level and extent of the incentive practice to be installed, adopted, completed, maintained, managed, or improved;

“(ii) the cost of the installation, adoption, completion, management, maintenance, or improvement of the incentive practice;

“(iii) income foregone by the producer, including payments, as appropriate, to address—



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“(I) increased economic risk;

“(II) loss in revenue due to anticipated reductions in yield; and

“(III) economic losses during transition to a resource-conserving cropping system or resource-conserving land use; and

“(iv) the extent to which compensation would ensure long-term continued maintenance, management, and improvement of the incentive practice.

“(C) DELIVERY OF PAYMENTS.—In making payments under subparagraph (A), the Secretary shall, to the extent practicable—

“(i) in the case of annual payments under paragraph (2)(A)(ii)(I), make those payments as soon as practicable after October 1 of each fiscal year for which increased levels of conservation are maintained during the term of the contract; and

“(ii) in the case of practice payments under paragraph (2)(A)(ii)(II), make those payments as soon as practicable on the implementation of an incentive practice.”.

**SEC. 2305. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM PLAN.**

Section 1240E(a)(3) of the Food Security Act of 1985 (16 U.S.C. 3839aa–5(a)(3)) is amended by inserting “progressive” before “implementation”.

**SEC. 2306. LIMITATION ON PAYMENTS UNDER ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.**

Section 1240G of the Food Security Act of 1985 (16 U.S.C. 3839aa–7) is amended—

(1) by striking “A person” and inserting “Not including payments made under section 1240B(j), a person”; and

(2) by inserting “or the period of fiscal years 2019 through 2023,” after “2018,”.

**SEC. 2307. CONSERVATION INNOVATION GRANTS AND PAYMENTS.**

(a) COMPETITIVE GRANTS FOR INNOVATIVE CONSERVATION APPROACHES.—Section 1240H(a)(2) of the Food Security Act of 1985 (16 U.S.C. 3839aa–8(a)(2)) is amended—

(1) in subparagraph (A), by striking “program;” and inserting “program or community colleges (as defined in section 1473E(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319e(a))) carrying out demonstration projects on land of the community college;”;

(2) by redesignating subparagraphs (E) and (F) as subparagraphs (G) and (H), respectively; and

(3) by inserting after subparagraph (D) the following:

“(E) partner with farmers to develop innovative practices for urban, indoor, or other emerging agricultural operations;

“(F) utilize edge-of-field and other monitoring practices on farms—

“(i) to quantify the impacts of practices implemented under the program; and

“(ii) to assist producers in making the best conservation investments for the operations of the producers;”.

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(b) AIR QUALITY CONCERNS FROM AGRICULTURAL OPERATIONS.—Section 1240H(b)(2) of the Food Security Act of 1985 (16 U.S.C. 3839aa–8(b)(2)) is amended by striking “\$25,000,000 for each of fiscal years 2009 through 2018” and inserting “\$37,500,000 for each of fiscal years 2019 through 2023”.

(c) ON-FARM CONSERVATION INNOVATION TRIALS; REPORTING AND DATABASE.—Section 1240H of the Food Security Act of 1985 (16 U.S.C. 3839aa–8) is amended by striking subsection (c) and inserting the following:

“(c) ON-FARM CONSERVATION INNOVATION TRIALS.—

“(1) DEFINITIONS.—In this subsection:

“(A) ELIGIBLE ENTITY.—The term ‘eligible entity’ means, as determined by the Secretary—

“(i) a third-party private entity the primary business of which is related to agriculture;

“(ii) a nongovernmental organization with experience working with agricultural producers; or

“(iii) a governmental organization.

“(B) NEW OR INNOVATIVE CONSERVATION APPROACH.—The term ‘new or innovative conservation approach’ means—

“(i) new or innovative—

“(I) precision agriculture technologies;

“(II) enhanced nutrient management plans, nutrient recovery systems, and fertilization systems;

“(III) soil health management systems, including systems to increase soil carbon levels;

“(IV) water management systems;

“(V) resource-conserving crop rotations (as defined in section 1240L(d)(1));

“(VI) cover crops; and

“(VII) irrigation systems; and

“(ii) any other conservation approach approved by the Secretary as new or innovative.

“(2) TESTING NEW OR INNOVATIVE CONSERVATION APPROACHES.—Using \$25,000,000 of the funds made available to carry out this subchapter for each of fiscal years 2019 through 2023, the Secretary shall carry out on-farm conservation innovation trials, on eligible land of producers, to test new or innovative conservation approaches—

“(A) directly with producers; or

“(B) through eligible entities.

“(3) INCENTIVE PAYMENTS.—

“(A) AGREEMENTS.—In carrying out paragraph (2), the Secretary shall enter into agreements with producers (either directly or through eligible entities) on whose land an on-farm conservation innovation trial is being carried out to provide payments (including payments to compensate for foregone income, as appropriate to address the increased economic risk potentially associated with new or innovative conservation approaches) to the producers to assist with adopting and evaluating new or innovative conservation approaches to achieve conservation benefits.

“(B) ADJUSTED GROSS INCOME REQUIREMENTS.—

“(i) IN GENERAL.—Adjusted gross income requirements under section 1001D(b)(1) shall—

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“(I) apply to producers receiving payments under this subsection; and

“(II) be enforced by the Secretary.

“(ii) REPORTING.—An eligible entity participating in an on-farm conservation innovation trial under this subsection shall report annually to the Secretary on the amount of payments made to individual farm operations under this subsection.

“(C) LIMITATION ON ADMINISTRATIVE EXPENSES.—None of the funds made available to carry out this subsection may be used to pay for the administrative expenses of an eligible entity.

“(D) LENGTH OF AGREEMENTS.—An agreement entered into under subparagraph (A) shall be for a period determined by the Secretary that is—

“(i) not less than 3 years; and

“(ii) if appropriate, more than 3 years, including if such a period is appropriate to support—

“(I) adaptive management over multiple crop years; and

“(II) adequate data collection and analysis by a producer or eligible entity to report the natural resource and agricultural production benefits of the new or innovative conservation approaches to the Secretary.

“(4) FLEXIBLE ADOPTION.—The scale of adoption of a new or innovative conservation approach under an on-farm conservation innovation trial under an agreement under paragraph (2) may include multiple scales on an operation, including whole farm, field-level, or sub-field scales.

“(5) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance—

“(A) to each producer or eligible entity participating in an on-farm conservation innovation trial under paragraph (2) with respect to the design, installation, and management of the new or innovative conservation approaches; and

“(B) to each eligible entity participating in an on-farm conservation innovation trial under paragraph (2) with respect to data analyses of the on-farm conservation innovation trial.

“(6) GEOGRAPHIC SCOPE.—The Secretary shall identify a diversity of geographic regions of the United States in which to establish on-farm conservation innovation trials under paragraph (2), taking into account factors such as soil type, cropping history, and water availability.

“(7) SOIL HEALTH DEMONSTRATION TRIAL.—Using funds made available to carry out this subsection, the Secretary shall carry out a soil health demonstration trial under which the Secretary coordinates with eligible entities—

“(A) to provide incentives to producers to implement conservation practices that—

“(i) improve soil health;

“(ii) increase carbon levels in the soil; or

“(iii) meet the goals described in clauses (i) and (ii);

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“(B) to establish protocols for measuring carbon levels in the soil and testing carbon levels on land where conservation practices described in subparagraph (A) were applied to evaluate gains in soil health as a result of the practices implemented by the producers in the soil health demonstration trial; and

“(C)(i) not later than September 30, 2020, to initiate a study regarding changes in soil health and, if feasible, economic outcomes, generated as a result of the conservation practices described in subparagraph (A) that were applied by producers through the soil health demonstration trial; and

“(ii) to submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate annual reports on the progress and results of the study under clause (i).

“(d) REPORTING AND DATABASE.—

“(1) REPORT REQUIRED.—Not later than September 30, 2019, and every 2 years thereafter, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the status of activities funded under this section, including—

“(A) funding awarded;

“(B) results of the activities, including, if feasible, economic outcomes;

“(C) incorporation of findings from the activities, such as new technology and innovative approaches, into the conservation efforts implemented by the Secretary; and

“(D) on completion of the study required under subsection (c)(7)(C), the findings of the study.

“(2) CONSERVATION PRACTICE DATABASE.—

“(A) IN GENERAL.—The Secretary shall use the data reported under paragraph (1) to establish and maintain a publicly available conservation practice database that provides—

“(i) a compilation and analysis of effective conservation practices for soil health, nutrient management, and source water protection in varying soil compositions, cropping systems, slopes, and landscapes; and

“(ii) a list of recommended new and effective conservation practices.

“(B) PRIVACY.—Information provided under subparagraph (A) shall be transformed into a statistical or aggregate form so as to not include any identifiable or personal information of individual producers.”.

**SEC. 2308. CONSERVATION STEWARDSHIP PROGRAM.**

(a) DEFINITIONS.—Section 1240I of the Food Security Act of 1985 (as redesignated by section 2301(b)) is amended—

(1) in paragraph (2)(B)—

(A) in clause (i), by striking “and” at the end;

(B) in clause (ii), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

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“(iii) development of a comprehensive conservation plan, as defined in section 1240L(e)(1);

“(iv) soil health planning, including planning to increase soil organic matter; and

“(v) activities that will assist a producer to adapt to, or mitigate against, increasing weather volatility.”; and

(2) in paragraph (7), by striking the period at the end and inserting the following: “through the use of—

“(A) quality criteria under a resource management system;

“(B) predictive analytics tools or models developed or approved by the Natural Resources Conservation Service;

“(C) data from past and current enrollment in the program; and

“(D) other methods that measure conservation and improvement in priority resource concerns, as determined by the Secretary.”.

(b) CONSERVATION STEWARDSHIP PROGRAM.—

(1) ESTABLISHMENT.—Subsection (a) of section 1240J of the Food Security Act of 1985 (as redesignated by section 2301(b)) is amended in the matter preceding paragraph (1) by striking “2014 through 2018” and inserting “2019 through 2023”.

(2) EXCLUSIONS.—Subsection (b)(2) of section 1240J of the Food Security Act of 1985 (as redesignated by section 2301(b)) is amended in the matter preceding paragraph (1) by striking “the Agricultural Act of 2014” and inserting the “Agriculture Improvement Act of 2018”.

(c) STEWARDSHIP CONTRACTS.—Section 1240K of the Food Security Act of 1985 (as redesignated by section 2301(b)) is amended—

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

“(1) RANKING OF APPLICATIONS.—

“(A) IN GENERAL.—In evaluating contract offers submitted under subsection (a) and contract renewals under subsection (e), the Secretary shall rank applications based on—

“(i) the natural resource conservation and environmental benefits that result from the conservation treatment on all applicable priority resource concerns at the time of submission of the application;

“(ii) the degree to which the proposed conservation activities increase natural resource conservation and environmental benefits; and

“(iii) other consistent criteria, as determined by the Secretary.

“(B) ADDITIONAL CRITERION.—If 2 or more applications receive the same ranking under subparagraph (A), the Secretary shall rank those contracts based on the extent to which the actual and anticipated conservation benefits from each contract are provided at the lowest cost relative to other similarly beneficial contract offers.”;

(2) in subsection (c)—

(A) by striking “the program under subsection (a)” and inserting “a contract or contract renewal under this section”;

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(B) by inserting “or contract renewal” before “offer ranks”;

(C) by inserting “or contract renewal” after “stewardship contract”; and

(D) by adding “or contract renewal” before the period at the end;

(3) in subsection (d)(2)(A), by striking “1238G(d)” and inserting “1240L(c)”; and

(4) in subsection (e)—

(A) in the matter preceding paragraph (1), by striking “At the end” and all that follows through “period” the second place it appears and inserting the following: “The Secretary may provide the producer an opportunity to renew an existing contract in the first half of the fifth year of the contract period”;

(B) in paragraph (1), by striking “initial” and inserting “existing”;

(C) in paragraph (2)—

(i) by inserting “new or improved” after “integrate”;

and

(ii) by inserting “demonstrating continued improvement during the additional 5-year period,” after “operation,”; and

(D) in paragraph (3)(B), by striking “to exceed the stewardship threshold of” and inserting “to adopt or improve conservation activities, as determined by the Secretary, to achieve higher levels of performance with respect to not less than”.

(d) DUTIES OF SECRETARY.—Section 1240L of the Food Security Act of 1985 (as redesignated by section 2301(b)) is amended—

(1) in subsection (b), in the matter preceding paragraph (1), by striking “acres” and inserting “funding”;

(2) by striking subsection (c);

(3) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively;

(4) in subsection (c) (as so redesignated), by adding at the end the following:

“(5) PAYMENT FOR COVER CROP ACTIVITIES.—The amount of a payment under this subsection for cover crop activities shall be not less than 125 percent of the annual payment amount determined by the Secretary under paragraph (2).”;

(5) in subsection (d) (as so redesignated)—

(A) in the subsection heading, by inserting “AND ADVANCED GRAZING MANAGEMENT” after “ROTATIONS”;

(B) by striking paragraph (2);

(C) by redesignating paragraphs (1) and (4) as paragraphs (2) and (1), respectively, and moving the paragraphs so as to appear in numerical order;

(D) in paragraph (1) (as so redesignated)—

(i) by redesignating subparagraphs (A) through (D) and (E) as clauses (i) through (iv) and (vi), respectively, and indenting appropriately;

(ii) by striking the paragraph designation and all that follows through “the term” in the matter preceding clause (i) (as so redesignated) and inserting the following:

“(1) DEFINITIONS.—In this subsection:



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“(A) ADVANCED GRAZING MANAGEMENT.—The term ‘advanced grazing management’ means the use of a combination of grazing practices (as determined by the Secretary), which may include management-intensive rotational grazing, that provide for—

- “(i) improved soil health and carbon sequestration;
- “(ii) drought resilience;
- “(iii) wildlife habitat;
- “(iv) wildfire mitigation;
- “(v) control of invasive plants; and
- “(vi) water quality improvement.

“(B) MANAGEMENT-INTENSIVE ROTATIONAL GRAZING.—The term ‘management-intensive rotational grazing’ means a strategic, adaptively managed multipasture grazing system in which animals are regularly and systematically moved to fresh pasture in a manner that—

- “(i) maximizes the quantity and quality of forage growth;
- “(ii) improves manure distribution and nutrient cycling;
- “(iii) increases carbon sequestration from greater forage harvest;
- “(iv) improves the quality and quantity of cover for wildlife;
- “(v) provides permanent cover to protect the soil from erosion; and
- “(vi) improves water quality.

“(C) RESOURCE-CONSERVING CROP ROTATION.—The term”; and

(iii) in subparagraph (C) (as so designated)—

(I) in clause (iv) (as so redesignated), by striking “and” at the end; and

(II) by inserting after clause (iv) (as so redesignated) the following:

“(v) builds soil organic matter; and”;

(E) in paragraph (2) (as so redesignated), by striking “improve resource-conserving” and all that follows through the period at the end and inserting the following: “improve, manage, and maintain—

“(A) resource-conserving crop rotations; or

“(B) advanced grazing management.”;

(F) in paragraph (3)—

(i) by striking “paragraph (1)” and inserting “paragraph (2)”; and

(ii) by striking “and maintain” and all that follows through the period at the end and inserting “or improve, manage, and maintain resource-conserving crop rotations or advanced grazing management for the term of the contract.”; and

(G) by adding at the end the following:

“(4) AMOUNT OF PAYMENT.—An additional payment provided under paragraph (2) shall be not less than 150 percent of the annual payment amount determined by the Secretary under subsection (c)(2).”;

(6) by inserting after subsection (d) (as so redesignated) the following:

“(e) PAYMENT FOR COMPREHENSIVE CONSERVATION PLAN.—



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“(1) DEFINITION OF COMPREHENSIVE CONSERVATION PLAN.— In this subsection, the term ‘comprehensive conservation plan’ means a conservation plan that meets or exceeds the stewardship threshold for each priority resource concern identified by the Secretary under subsection (a)(2).

“(2) PAYMENT FOR COMPREHENSIVE CONSERVATION PLAN.— The Secretary shall provide a 1-time payment to a producer that develops a comprehensive conservation plan.

“(3) AMOUNT OF PAYMENT.—The Secretary shall determine the amount of payment under paragraph (2) based on—

“(A) the number of priority resource concerns addressed in the comprehensive conservation plan; and

“(B) the number of types of land uses included in the comprehensive conservation plan.”;

(7) in subsection (f), by striking “2014 through 2018” and inserting “2019 through 2023”;

(8) in subsection (h)—

(A) by striking the subsection designation and heading and all that follows through “The Secretary” and inserting the following:

“(h) ORGANIC CERTIFICATION.—

“(1) COORDINATION.—The Secretary”; and

(B) by adding at the end the following:

“(2) ALLOCATION.—

“(A) IN GENERAL.—Using funds made available for the program for each of fiscal years 2019 through 2023, the Secretary shall allocate funding to States to support organic production and transition to organic production through paragraph (1).

“(B) DETERMINATION.—The Secretary shall determine the allocation to a State under subparagraph (A) based on—

“(i) the number of certified and transitioning organic operations within the State; and

“(ii) the number of acres of certified and transitioning organic production within the State.”; and

(9) by adding at the end the following:

“(j) STREAMLINING AND COORDINATION.—To the maximum extent feasible, the Secretary shall provide for streamlined and coordinated procedures for the program and the environmental quality incentives program under subchapter A, including applications, contracting, conservation planning, conservation practices, and related administrative procedures.

“(k) SOIL HEALTH.—To the maximum extent feasible, the Secretary shall manage the program to enhance soil health.

“(l) ANNUAL REPORT.—Each fiscal year, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the payment rates for conservation activities offered to producers under the program and an analysis of whether payment rates can be reduced for the most expensive conservation activities.”.

**SEC. 2309. GRASSLAND CONSERVATION INITIATIVE.**

Subchapter B of chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (as added by subsections (a)(2) and (b) of section 2301) is amended by adding at the end the following:

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**“SEC. 1240L–1. GRASSLAND CONSERVATION INITIATIVE.**16 USC  
3839aa–25.**“(a) DEFINITIONS.—**In this section:**“(1) ELIGIBLE LAND.—**Notwithstanding sections 1240I(4) and 1240J(b)(2), the term ‘eligible land’ means cropland on a farm for which base acres have been maintained by the Secretary under section 1112(d)(3) of the Agricultural Act of 2014 (7 U.S.C. 9012(d)(3)).**“(2) INITIATIVE.—**The term ‘initiative’ means the grassland conservation initiative established under subsection (b).**“(b) ESTABLISHMENT AND PURPOSE.—**The Secretary shall establish within the program a grassland conservation initiative for the purpose of assisting producers in protecting grazing uses, conserving and improving soil, water, and wildlife resources, and achieving related conservation values by conserving eligible land through grassland conservation contracts under subsection (e).**“(c) ELECTION.—**Beginning in fiscal year 2019, the Secretary shall provide a 1-time election to enroll eligible land in the initiative under a contract described in subsection (e).**“(d) METHOD OF ENROLLMENT.—**The Secretary shall—**“(1)** notwithstanding subsection (b) of section 1240K, determine under subsection (c) of that section that eligible land ranks sufficiently high under the evaluation criteria described in subsection (b) of that section; and**“(2)** enroll the eligible land in the initiative under a contract described in subsection (e).**“(e) GRASSLAND CONSERVATION CONTRACT.—****“(1) IN GENERAL.—**Notwithstanding section 1240K(a)(1), to enroll eligible land in the initiative under a grassland conservation contract, a producer shall agree—**“(A)** to meet or exceed the stewardship threshold for not less than 1 priority resource concern by the date on which the contract expires; and**“(B)** to comply with the terms and conditions of the contract.**“(2) TERMS.—**A grassland conservation contract entered into under this section shall—**“(A)(i)** be for a single 5-year term; and**“(ii)** not be subject to renewal or reenrollment under section 1240K(e); and**“(B)** be subject to section 1240K(d).**“(3) EARLY TERMINATION.—**The Secretary shall allow a producer that enters into a grassland conservation contract under this section—**“(A)** to terminate the contract at any time; and**“(B)** to retain payments already received under the contract.**“(f) GRASSLAND CONSERVATION PLAN.—**The grassland conservation plan developed for eligible land shall be limited to—**“(1)** eligible land; and**“(2)** resource concerns and activities relating to grassland.**“(g) PAYMENTS.—****“(1) IN GENERAL.—**Beginning in fiscal year 2019, of the funds made available for this subchapter under section 1241(a)(3)(B), and notwithstanding any payment under title I of the Agriculture Improvement Act of 2018, an amendment made by that title, or section 1240L(c), the Secretary shall make annual grassland conservation contract payments to the

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producer of any eligible land that is the subject of a grassland conservation contract under this section.

“(2) PAYMENT NONELIGIBILITY.—A grassland conservation contract under this section shall not be—

“(A) eligible for payments under section 1240L(d); or

“(B) subject to the payment limitations under this subchapter.

“(3) LIMITATION.—The amount of an annual payment under this subsection shall be \$18 per acre, not to exceed the number of base acres on a farm.

“(h) CONSIDERED PLANTED.—The Secretary shall consider land enrolled under a grassland conservation contract under this section during a crop year to be planted or considered planted to a covered commodity (as defined in section 1111 of the Agricultural Act of 2014 (7 U.S.C. 9011)) during that crop year.

“(i) OTHER CONTRACTS.—A producer with an agricultural operation that contains land eligible under this section and land eligible under section 1240K—

“(1) may enroll the land eligible under this section through a contract under this section or under section 1240K; and

“(2) shall not be prohibited from enrolling the land eligible under section 1240K through a contract under section 1240K.”.

## Subtitle D—Other Conservation Programs

### SEC. 2401. WATERSHED PROTECTION AND FLOOD PREVENTION.

(a) ASSISTANCE TO LOCAL ORGANIZATIONS.—Section 3 of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1003) is amended—

(1) by striking the section designation and all that follows through “In order to assist” and inserting the following:

#### “SEC. 3. ASSISTANCE TO LOCAL ORGANIZATIONS.

“(a) IN GENERAL.—In order to assist”; and

(2) by adding at the end the following:

“(b) WAIVER.—The Secretary may waive the watershed plan for works of improvement if the Secretary determines that—

“(1) the watershed plan is unnecessary or duplicative; and

“(2) the works of improvement are otherwise consistent with applicable requirements under section 4.”.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 14(h)(2)(E) of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1012(h)(2)(E)) is amended by striking “2018” and inserting “2023”.

(c) FUNDS OF COMMODITY CREDIT CORPORATION.—The Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.) is amended by adding at the end the following:

16 USC 1012a.

#### “SEC. 15. FUNDING.

“In addition to any other funds made available by this Act, of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this Act \$50,000,000 for fiscal year 2019 and each fiscal year thereafter.”.

### SEC. 2402. SOIL AND WATER RESOURCES CONSERVATION.

The Soil and Water Resources Conservation Act of 1977 (16 U.S.C. 2001 et seq.) is amended—

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(1) in section 5(e) (16 U.S.C. 2004(e)), by striking “and December 31, 2015” and inserting “December 31, 2015, and December 31, 2022”;

(2) in section 6(d) (16 U.S.C. 2005(d)), by striking “, respectively” and inserting “, and a program update shall be completed by December 31, 2023”;

(3) in section 7 (16 U.S.C. 2006)—

(A) in subsection (a), by striking “and 2016” and inserting “, 2016, and 2022”; and

(B) in subsection (b), in the matter preceding paragraph (1), by striking “and 2017” and inserting “, 2017, and 2023”; and

(4) in section 10 (16 U.S.C. 2009), by striking “2018” and inserting “2023”.

**SEC. 2403. EMERGENCY CONSERVATION PROGRAM.**

(a) REPAIR OR REPLACEMENT OF FENCING.—

(1) IN GENERAL.—Section 401 of the Agricultural Credit Act of 1978 (16 U.S.C. 2201) is amended—

(A) by inserting “wildfires,” after “hurricanes,”;

(B) by striking the section designation and all that follows through “The Secretary of Agriculture” and inserting the following:

**“SEC. 401. EMERGENCY CONSERVATION PROGRAM.**

“(a) IN GENERAL.—The Secretary of Agriculture (referred to in this title as the ‘Secretary’); and

(C) by adding at the end the following:

“(b) REPAIR OR REPLACEMENT OF FENCING.—

“(1) IN GENERAL.—With respect to a payment to an agricultural producer under subsection (a) for the repair or replacement of fencing, the Secretary shall give the agricultural producer the option of receiving not more than 25 percent of the payment, determined by the Secretary based on the applicable percentage of the fair market value of the cost of the repair or replacement, before the agricultural producer carries out the repair or replacement.

“(2) RETURN OF FUNDS.—If the funds provided under paragraph (1) are not expended by the end of the 60-day period beginning on the date on which the agricultural producer receives those funds, the funds shall be returned within a reasonable timeframe, as determined by the Secretary.”.

(2) CONFORMING AMENDMENTS.—

(A) Sections 402, 403, 404, and 405 of the Agricultural Credit Act of 1978 (16 U.S.C. 2202, 2203, 2204, 2205) are amended by striking “Secretary of Agriculture” each place it appears and inserting “Secretary”.

(B) Section 407(a) of the Agricultural Credit Act of 1978 (16 U.S.C. 2206(a)) is amended by striking paragraph (4).

(b) COST SHARE PAYMENTS.—Title IV of the Agricultural Credit Act of 1978 is amended by inserting after section 402 (16 U.S.C. 2202) the following:

**“SEC. 402A. COST-SHARE REQUIREMENT.**

16 USC 2202a.

“(a) COST-SHARE RATE.—Subject to subsections (b) and (c), the maximum cost-share payment under sections 401 and 402 shall

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not exceed 75 percent of the total allowable cost, as determined by the Secretary.

“(b) EXCEPTION.—Notwithstanding subsection (a), a payment to a limited resource farmer or rancher, a socially disadvantaged farmer or rancher (as defined in subsection (a) of section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279), or a beginning farmer or rancher under section 401 or 402 shall not exceed 90 percent of the total allowable cost, as determined by the Secretary.

“(c) LIMITATION.—The total payment under sections 401 and 402 for a single event may not exceed 50 percent of the agriculture value of the land, as determined by the Secretary.”.

(c) PAYMENT LIMITATIONS.—Title IV of the Agricultural Credit Act of 1978 (16 U.S.C. 2201 et seq.) is amended by inserting after section 402A (as added by subsection (b)) the following:

16 USC 2202b.

“**SEC. 402B. PAYMENT LIMITATION.**

“The maximum payment made under the emergency conservation program to an agricultural producer under sections 401 and 402 shall not exceed \$500,000.”.

(d) WATERSHED PROTECTION PROGRAM.—Section 403 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203) is amended—

(1) by striking the section heading and inserting “**EMERGENCY WATERSHED PROGRAM**”; and

(2) in subsection (a), by inserting “watershed protection” after “emergency”.

(e) FUNDING AND ADMINISTRATION.—Section 404 of the Agricultural Credit Act of 1978 (16 U.S.C. 2204) is amended—

(1) in the fourth sentence, by striking “The Corporation” and inserting the following:

“(d) LIMITATION.—The Commodity Credit Corporation”;

(2) in the third sentence (as amended by subsection (a)(2)(A)), by striking “In implementing the provisions of” and inserting the following:

“(c) USE OF COMMODITY CREDIT CORPORATION.—In implementing”;

(3) by striking the second sentence;

(4) by striking the section designation and all that follows through “There are authorized” in the first sentence and inserting the following:

“**SEC. 404. FUNDING AND ADMINISTRATION.**

“(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized”;

(5) in subsection (a) (as so designated), by inserting “, to remain available until expended” before the period at the end; and

(6) by inserting after subsection (a) (as so designated) the following:

“(b) SET-ASIDE FOR FENCING.—Of the amounts made available under subsection (a) for a fiscal year, 25 percent shall be set aside until April 1 of that fiscal year for the repair or replacement of fencing.”.

**SEC. 2404. CONSERVATION OF PRIVATE GRAZING LAND.**

Section 1240M of the Food Security Act of 1985 (16 U.S.C. 3839bb) is amended—

(1) in subsection (c)(2), by adding at the end the following:

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“(C) PARTNERSHIPS.—In carrying out the program under this section, the Secretary shall provide education and outreach activities through partnerships with—

“(i) land-grant colleges and universities (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)); and

“(ii) nongovernmental organizations.”; and

(2) in subsection (e), by striking “2018” and inserting “2023”.

**SEC. 2405. GRASSROOTS SOURCE WATER PROTECTION PROGRAM.**

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 1240O(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3839bb–2(b)(1)) is amended by striking “2018” and inserting “2023”.

(b) AVAILABILITY OF FUNDS.—Section 1240O(b) of the Food Security Act of 1985 (16 U.S.C. 3839bb–2(b)) is amended by adding at the end the following:

“(3) ADDITIONAL FUNDING.—In addition to any other funds made available under this subsection, of the funds of the Commodity Credit Corporation, the Secretary shall use \$5,000,000 beginning in fiscal year 2019, to remain available until expended.”.

**SEC. 2406. VOLUNTARY PUBLIC ACCESS AND HABITAT INCENTIVE PROGRAM.**

Section 1240R of the Food Security Act of 1985 (16 U.S.C. 3839bb–5) is amended—

(1) in subsections (a) and (c), by striking “grants” each place it appears and inserting “funding”;

(2) in subsections (b) and (d)(2), by striking “a grant” each place it appears and inserting “funding”;

(3) in subsection (c)(3) (as amended by section 2202(b)(1)), by inserting “or on land covered by a wetland reserve easement under section 1265C” before “by providing”; and

(4) in subsection (f)—

(A) in paragraph (1)—

(i) by striking “2012 and” and inserting “2012,”; and

(ii) by inserting “, and \$50,000,000 for the period of fiscal years 2019 through 2023” before the period at the end;

(B) by redesignating paragraph (2) as paragraph (3);

and

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

“(2) ENHANCED PUBLIC ACCESS TO WETLAND RESERVE EASEMENTS.—To the maximum extent practicable, of the funds made available under paragraph (1), the Secretary shall use \$3,000,000 for the period of fiscal years 2019 through 2023 to encourage public access to land covered by wetland reserve easements under section 1265C through agreements with States and tribal governments under this section.”.

**SEC. 2407. WILDLIFE MANAGEMENT.**

(a) IN GENERAL.—The Secretary and the Secretary of the Interior shall continue to carry out the Working Lands for Wildlife model of conservation on working landscapes, as implemented on

16 USC 1531  
note.



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the day before the date of enactment of this Act, in accordance with—

(1) the document entitled “Partnership Agreement Between the United States Department of Agriculture Natural Resources Conservation Service and the United States Department of the Interior Fish and Wildlife Service”, numbered A–3A7516–937, and formalized by the Chief of the Natural Resources Conservation Service on September 15, 2016, and by the Director of the United States Fish and Wildlife Service on August 4, 2016, as in effect on September 15, 2016; and

(2) United States Fish and Wildlife Service Director’s Order No. 217, dated August 9, 2016, as in effect on August 9, 2016.

(b) EXPANSION OF MODEL.—The Secretary and the Secretary of the Interior may expand the conservation model described in subsection (a) through a new partnership agreement between the Farm Service Agency and the United States Fish and Wildlife Service for the purpose of carrying out conservation activities for species conservation.

(c) EXTENSION OF PERIOD OF REGULATORY PREDICTABILITY.—

(1) DEFINITION OF PERIOD OF REGULATORY PREDICTABILITY.—In this subsection, the term “period of regulatory predictability” means the period of regulatory predictability under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) initially determined in accordance with the document and order described in paragraphs (1) and (2), respectively, of subsection (a).

(2) EXTENSION.—After the period of regulatory predictability, on request of the Secretary, the Secretary of the Interior, acting through the Director of the United States Fish and Wildlife Service, may provide additional consultation under section 7(a)(2) of the Endangered Species Act of 1973 (16 U.S.C. 1536(a)(2)), or additional conference under section 7(a)(4) of that Act (16 U.S.C. 1536(a)(4)), as applicable, with the Chief of the Natural Resources Conservation Service or the Administrator of the Farm Service Agency, as applicable, to extend the period of regulatory predictability.

7 USC 8351 note.

**SEC. 2408. FERAL SWINE ERADICATION AND CONTROL PILOT PROGRAM.**

(a) IN GENERAL.—The Secretary shall establish a feral swine eradication and control pilot program to respond to the threat feral swine pose to agriculture, native ecosystems, and human and animal health.

(b) DUTIES OF THE SECRETARY.—In carrying out the pilot program, the Secretary shall—

(1) study and assess the nature and extent of damage to the pilot areas caused by feral swine;

(2) develop methods to eradicate or control feral swine in the pilot areas;

(3) develop methods to restore damage caused by feral swine; and

(4) provide financial assistance to agricultural producers in pilot areas.

(c) ASSISTANCE.—The Secretary may provide financial assistance to agricultural producers under the pilot program to implement methods to—

(1) eradicate or control feral swine in the pilot areas; and



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(2) restore damage caused by feral swine.

(d) COORDINATION.—The Secretary shall ensure that the Natural Resources Conservation Service and the Animal and Plant Health Inspection Service coordinate for purposes of this section through State technical committees established under section 1261(a) of the Food Security Act of 1985 (16 U.S.C. 3861(a)).

(e) PILOT AREAS.—The Secretary shall carry out the pilot program in areas of States in which feral swine have been identified as a threat to agriculture, native ecosystems, or human or animal health, as determined by the Secretary.

(f) COST SHARING.—

(1) FEDERAL SHARE.—The Federal share of the costs of activities under the pilot program may not exceed 75 percent of the total costs of such activities.

(2) IN-KIND CONTRIBUTIONS.—The non-Federal share of the costs of activities under the pilot program may be provided in the form of in-kind contributions of materials or services.

(g) FUNDING.—

(1) MANDATORY FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section \$75,000,000 for the period of fiscal years 2019 through 2023.

(2) DISTRIBUTION OF FUNDS.—Of the funds made available under paragraph (1)—

(A) 50 percent shall be allocated to the Natural Resources Conservation Service to carry out the pilot program, including the provision of financial assistance to producers for on-farm trapping and technology related to capturing and confining feral swine; and

(B) 50 percent shall be allocated to the Animal and Plant Health Inspection Service to carry out the pilot program, including the use of established, and testing of innovative, population reduction methods.

(3) LIMITATION ON ADMINISTRATIVE EXPENSES.—Not more than 10 percent of funds made available under this section may be used for administrative expenses of the pilot program.

#### **SEC. 2409. REPORT ON SMALL WETLANDS.**

(a) IN GENERAL.—The Secretary, acting through the Chief of the Natural Resources Conservation Service, shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the number of wetlands with an area not more than 1 acre that have been delineated in each of the States of North Dakota, South Dakota, Minnesota, and Iowa during fiscal years 2014 through 2018.

(b) REQUIREMENT.—In the report under subsection (a), the Secretary, acting through the Chief of the Natural Resources Conservation Service, shall list the number of wetlands acres in each State described in the report by tenths of an acre, and ensure the report is based on the best available science.

#### **SEC. 2410. SENSE OF CONGRESS RELATING TO INCREASED WATERSHED-BASED COLLABORATION.**

It is the sense of Congress that the Federal Government should recognize and encourage partnerships at the watershed level between nonpoint sources and regulated point sources to advance the goals of the Federal Water Pollution Control Act (33 U.S.C.

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1251 et seq.) and provide benefits to farmers, landowners, and the public.

## Subtitle E—Funding and Administration

### SEC. 2501. COMMODITY CREDIT CORPORATION.

(a) ANNUAL FUNDING.—Section 1241(a) of the Food Security Act of 1985 (16 U.S.C. 3841(a)) is amended—

(1) in the matter preceding paragraph (1), by striking “2018 (and fiscal year 2019 in the case of the program specified in paragraph (5))” and inserting “2023”;

(2) in paragraph (1)—

(A) in subparagraph (A), by striking “\$10,000,000 for the period of fiscal years 2014 through 2018” and inserting “\$12,000,000 for the period of fiscal years 2019 through 2023”; and

(B) in subparagraph (B)—

(i) by striking “\$33,000,000 for the period of fiscal years 2014 through 2018” and inserting “\$50,000,000 for the period of fiscal years 2019 through 2023, including not more than \$5,000,000 to provide outreach and technical assistance,”; and

(ii) by striking “retired or retiring owners and operators” and inserting “contract holders”;

(3) in paragraph (2)—

(A) in subparagraph (D), by striking “and” at the end;

(B) in subparagraph (E), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(F) \$450,000,000 for each of fiscal years 2019 through 2023.”;

(4) by striking paragraph (3) and inserting the following:

“(3) The programs under chapter 4, using, to the maximum extent practicable—

“(A) for the environmental quality incentives program under subchapter A of that chapter—

“(i) \$1,750,000,000 for fiscal year 2019;

“(ii) \$1,750,000,000 for fiscal year 2020;

“(iii) \$1,800,000,000 for fiscal year 2021;

“(iv) \$1,850,000,000 for fiscal year 2022; and

“(v) \$2,025,000,000 for fiscal year 2023; and

“(B) for the conservation stewardship program under subchapter B of that chapter—

“(i) \$700,000,000 for fiscal year 2019;

“(ii) \$725,000,000 for fiscal year 2020;

“(iii) \$750,000,000 for fiscal year 2021;

“(iv) \$800,000,000 for fiscal year 2022; and

“(v) \$1,000,000,000 for fiscal year 2023.”;

(5) in paragraph (4), by inserting “(as in effect on the day before the date of enactment of the Agriculture Improvement Act of 2018), using such sums as are necessary to administer contracts entered into before that date of enactment” before the period at the end; and

(6) by striking paragraph (5).

(b) AVAILABILITY OF FUNDS.—Section 1241(b) of the Food Security Act of 1985 (16 U.S.C. 3841(b)) is amended by striking “2018

(and fiscal year 2019 in the case of the program specified in subsection (a)(5))” and inserting “2023”.

(c) REPORT ON PROGRAM ENROLLMENTS AND ASSISTANCE.—Section 1241(i) of the Food Security Act of 1985 (16 U.S.C. 3841(i)) is amended to read as follows:

“(i) REPORT ON PROGRAM ENROLLMENTS AND ASSISTANCE.—Not later than December 15 of each of calendar years 2019 through 2023, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report containing statistics by State related to enrollments in conservation programs under this title, as follows:

“(1) The annual and current cumulative activity reflecting active agreement and contract enrollment statistics.

“(2) Secretarial exceptions, waivers, and significant payments, including—

“(A) payments made under the agricultural conservation easement program for easements valued at \$250,000 or greater;

“(B) payments made under the regional conservation partnership program subject to the waiver of adjusted gross income limitations pursuant to section 1271C(c)(3);

“(C) waivers granted by the Secretary under section 1001D(b)(3);

“(D) exceptions and activity associated with section 1240B(h)(2); and

“(E) exceptions provided by the Secretary under section 1265B(b)(2)(B)(ii).”.

(d) ALLOCATIONS REVIEW AND UPDATE.—Section 1241(g) of the Food Security Act of 1985 (16 U.S.C. 3841(g)) is amended—

(1) in paragraph (1)—

(A) by striking “January” and all that follows through “shall” and inserting “1 year after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary, acting through the Chief of the Natural Resources Conservation Service and the Administrator of the Farm Service Agency, shall”;

(B) by inserting “annual” after “utilize”; and

(C) by inserting “relevant data on local natural resource concerns, resource inventories, evaluations and reports, recommendations from State technical committees established under section 1261(a),” after “accounting for”; and

(2) in paragraph (2)—

(A) by striking “that the formulas” and inserting the following: “that—

“(A) the formulas”;

(B) in subparagraph (A) (as so designated), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

“(B) to the maximum extent practicable, local natural resource concerns are considered a leading factor in determining annual funding allocation to States;

“(C) the process used at the national level to evaluate State budget proposals and to allocate funds is reviewed annually to assess the effect of allocations in addressing identified natural resource priorities and objectives; and

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“(D) the allocation of funds to States addresses priority natural resource concerns and objectives.”.

(e) ASSISTANCE TO CERTAIN FARMERS OR RANCHERS FOR CONSERVATION ACCESS.—Section 1241(h) of the Food Security Act of 1985 (16 U.S.C. 3841(h)) is amended—

(1) in paragraph (1)—

(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and indenting appropriately;

(B) in the matter preceding clause (i) (as so redesignated), by striking “Of the funds” and inserting the following:

“(A) FISCAL YEARS 2009 THROUGH 2018.—Of the funds”; and

(C) by adding at the end the following:

“(B) FISCAL YEARS 2019 THROUGH 2023.—Of the funds made available for each of fiscal years 2019 through 2023 to carry out the environmental quality incentives program under subchapter A of chapter 4 of subtitle D and the conservation stewardship program under subchapter B of chapter 4 of subtitle D, the Secretary shall use, to the maximum extent practicable—

“(i) 5 percent to assist beginning farmers or ranchers; and

“(ii) 5 percent to assist socially disadvantaged farmers or ranchers.”;

(2) in paragraph (2), by inserting “and, in the case of fiscal years 2019 through 2023, under the conservation stewardship program under subchapter B of chapter 4 of subtitle D” before the period at the end;

(3) in paragraph (3), by striking “year, acres not obligated under paragraph (1)” and inserting “year through fiscal year 2018, acres not obligated under paragraph (1)(A)”; and

(4) in paragraph (4), by striking “subparagraph (A) or (B) of paragraph (1)” and inserting “, as applicable, clause (i) or (ii) of paragraph (1)(A) or clause (i) or (ii) of paragraph (1)(B)”.

(f) CONSERVATION STANDARDS AND REQUIREMENTS.—Section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841) is amended by adding at the end the following:

“(j) CONSERVATION STANDARDS AND REQUIREMENTS.—

“(1) IN GENERAL.—Subject to the requirements of this title, the Natural Resources Conservation Service shall serve as the lead agency in developing and establishing technical standards and requirements for conservation programs carried out under this title, including—

“(A) standards for conservation practices under this title;

“(B) technical guidelines for implementing conservation practices under this title, including the location of the conservation practices; and

“(C) standards for conservation plans.

“(2) CONSISTENCY OF FARM SERVICE AGENCY TECHNICAL STANDARDS AND PAYMENT RATES.—The Administrator of the Farm Service Agency shall ensure that—

“(A) technical standards of programs administered by the Farm Service Agency are consistent with the technical

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standards established by the Natural Resources Conservation Service under paragraph (1); and

“(B) payment rates, to the extent practicable, are consistent between the Farm Service Agency and the Natural Resources Conservation Service.”.

**SEC. 2502. DELIVERY OF TECHNICAL ASSISTANCE.**

(a) **DEFINITIONS.**—Section 1242(a) of the Food Security Act of 1985 (16 U.S.C. 3842(a)) is amended to read as follows:

“(a) **DEFINITIONS.**—In this section:

“(1) **ELIGIBLE PARTICIPANT.**—The term ‘eligible participant’ means a producer, landowner, or entity that is participating in, or seeking to participate in, programs in which the producer, landowner, or entity is otherwise eligible to participate under this title or the agricultural management assistance program under section 524(b) of the Federal Crop Insurance Act (7 U.S.C. 1524(b)).

“(2) **THIRD-PARTY PROVIDER.**—The term ‘third-party provider’ means a commercial entity (including a farmer cooperative, agriculture retailer, or other commercial entity (as defined by the Secretary)), a nonprofit entity, a State or local government (including a conservation district), or a Federal agency, that has expertise in the technical aspect of conservation planning, including nutrient management planning, watershed planning, or environmental engineering.”.

(b) **CERTIFICATION PROCESS.**—Section 1242(e) of the Food Security Act of 1985 (16 U.S.C. 3842(e)) is amended by adding at the end the following:

“(4) **CERTIFICATION PROCESS.**—The Secretary shall certify a third-party provider through—

“(A) a certification process administered by the Secretary, acting through the Chief of the Natural Resources Conservation Service; or

“(B) a non-Federal entity approved by the Secretary to perform the certification.

“(5) **STREAMLINED CERTIFICATION.**—The Secretary shall provide a streamlined certification process for a third-party provider that has an appropriate specialty certification, including a sustainability certification.”.

(c) **EXPEDITED REVISION OF STANDARDS.**—Section 1242(h) of the Food Security Act of 1985 (16 U.S.C. 3842(h)) is amended—

(1) in paragraph (1)—

(A) by striking subparagraph (A) and inserting the following:

“(A) not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, complete a review of each conservation practice standard, including engineering design specifications, in effect on the day before the date of enactment of that Act;”;

(B) in subparagraph (B), by striking “and” at the end;

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

(D) by adding at the end the following:

“(D) evaluate opportunities to increase flexibility in conservation practice standards in a manner that ensures equivalent natural resource benefits.”;

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(2) in paragraph (2), by inserting “State technical committees established under section 1261(a),” before “crop consultants”; and

(3) by striking paragraph (3) and inserting the following:  
 “(3) EXPEDITED REVISION OF STANDARDS.—Not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary shall develop for the programs under this title an administrative process for—

“(A) expediting the establishment and revision of conservation practice standards;

“(B) considering conservation innovations and scientific and technological advancements with respect to any establishment or revision under subparagraph (A);

“(C) allowing local flexibility in the creation of—

“(i) interim practice standards and supplements to existing practice standards to address the considerations described in subparagraph (B); and

“(ii) partnership-led proposals for new and innovative techniques to facilitate implementing agreements and grants under this title; and

“(D) soliciting regular input from State technical committees established under section 1261(a) for recommendations that identify innovations or advancements described in subparagraph (B).

“(4) REPORT.—Not later than 2 years after the date of enactment of the Agriculture Improvement Act of 2018, and every 2 years thereafter, the Secretary shall submit to Congress a report on—

“(A) the administrative process developed under paragraph (3);

“(B) conservation practice standards that were established or revised under that process; and

“(C) conservation innovations that were considered under that process.”.

**SEC. 2503. ADMINISTRATIVE REQUIREMENTS FOR CONSERVATION PROGRAMS.**

(a) ACREAGE LIMITATIONS.—Section 1244(f) of the Food Security Act of 1985 (16 U.S.C. 3844(f)) is amended—

(1) in paragraph (1)(B), by striking “10” and inserting “15”; and

(2) in paragraph (5), by striking “the Agricultural Act of 2014” and inserting “the Agriculture Improvement Act of 2018”.

(b) REQUIREMENTS FOR CONSERVATION PROGRAMS.—Section 1244 of the Food Security Act of 1985 (16 U.S.C. 3844) is amended—

(1) by striking subsection (m);

(2) by redesignating subsections (j) through (l) as subsections (k) through (m), respectively; and

(3) by inserting after subsection (i) the following:

“(j) REVIEW AND GUIDANCE FOR PRACTICE COSTS AND PAYMENT RATES.—

“(1) IN GENERAL.—Not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, and not later than October 1 of each year thereafter, the Secretary shall—



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“(A) review the estimates for practice costs and rates of payments made to producers for practices on eligible land under this title; and

“(B) evaluate whether those costs and rates reflect a payment that—

“(i) encourages participation in a conservation program administered by the Secretary;

“(ii) encourages implementation of the most effective practices to address local natural resource concerns on eligible land; and

“(iii) accounts for regional, State, and local variability relating to the complexity, implementation, and adoption of practices on eligible land.

“(2) GUIDANCE; REVIEW.—The Secretary shall—

“(A) issue guidance to States to annually review and adjust the estimates for practice costs and rates of payments made to producers to reflect the evaluation factors described in paragraph (1)(B); and

“(B) determine the appropriate practice costs and rates of payments for each State by—

“(i) annually reviewing each conservation program payment schedule and payment rate used in the State; and

“(ii) consulting with the State technical committee established under section 1261(a) in that State.”.

(c) FUNDING FOR INDIAN TRIBES.—Section 1244(m) of the Food Security Act of 1985 (as redesignated by subsection (b)(2)) is amended—

(1) by striking “may” and inserting “shall”;

(2) by striking “that the goals” and inserting the following: “that—

“(1) the goals”;

(3) in paragraph (1) (as so designated), by striking “arrangements, and that statutory” and inserting the following: “arrangements;

“(2) a sufficient number of eligible participants will be aggregated under the alternative funding arrangement to accomplish the underlying purposes and objectives of the applicable program; and

“(3) statutory”; and

(4) in paragraph (3) (as so designated), by striking the period at the end and inserting “, except that the Secretary may approve a waiver if the Secretary is authorized to approve a waiver under the statutory authority of the applicable program.”.

(d) SOURCE WATER PROTECTION THROUGH TARGETING OF AGRICULTURAL PRACTICES.—Section 1244 of the Food Security Act of 1985 (16 U.S.C. 3844) (as amended by subsection (b)) is amended by adding at the end the following:

“(n) SOURCE WATER PROTECTION THROUGH TARGETING OF AGRICULTURAL PRACTICES.—

“(1) IN GENERAL.—In carrying out any conservation program administered by the Secretary, the Secretary shall encourage practices that relate to water quality and water quantity that protect source water for drinking water (including protecting against public health threats) while also benefitting agricultural producers.



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“(2) COLLABORATION WITH WATER SYSTEMS AND INCREASED INCENTIVES.—

“(A) IN GENERAL.—In encouraging practices under paragraph (1), the Secretary shall—

“(i) work collaboratively with community water systems and State technical committees established under section 1261(a) to identify, in each State, local priority areas for the protection of source waters for drinking water; and

“(ii) subject to subparagraph (B), for practices described in paragraph (1), offer to producers increased incentives and higher payment rates than are otherwise statutorily authorized by the applicable conservation program administered by the Secretary.

“(B) LIMITATION.—An increased payment under subparagraph (A)(ii) shall not exceed 90 percent of practice costs associated with planning, design, materials, equipment, installation, labor, management, maintenance, or training.

“(3) RESERVATION OF FUNDS.—

“(A) IN GENERAL.—In each of fiscal years 2019 through 2023, the Secretary shall use to carry out this subsection not less than 10 percent of any funds available for conservation programs administered by the Secretary under this title (other than the conservation reserve program established under subchapter B of chapter 1 of subtitle D).

“(B) LIMITATION.—Funds available for a specific conservation program shall not be transferred to fund a different conservation program under this title.”

(e) ENVIRONMENTAL SERVICES MARKET.—Section 1244 of the Food Security Act of 1985 (16 U.S.C. 3844) (as amended by subsection (d)) is amended by adding at the end the following:

“(o) ENVIRONMENTAL SERVICES MARKET.—The Secretary may not prohibit, through a contract, easement, or agreement under this title, a participant in a conservation program administered by the Secretary under this title from participating in, and receiving compensation from, an environmental services market if 1 of the purposes of the market is the facilitation of additional conservation benefits that are consistent with the purposes of the conservation program administered by the Secretary.”

(f) REGULATORY CERTAINTY.—Section 1244 of the Food Security Act of 1985 (16 U.S.C. 3844) (as amended by subsection (e)) is amended by adding at the end the following:

“(p) REGULATORY CERTAINTY.—

“(1) IN GENERAL.—In addition to technical and programmatic information that the Secretary is otherwise authorized to provide, on request of a Federal agency, a State, an Indian tribe, or a unit of local government, the Secretary may provide technical and programmatic information—

“(A) subject to paragraph (2), to the Federal agency, State, Indian tribe, or unit of local government to support specifically the development of mechanisms that would provide regulatory certainty, regulatory predictability, safe harbor protection, or other similar regulatory assurances to a farmer, rancher, or private nonindustrial forest landowner under a regulatory requirement—

“(i) that relates to soil, water, or wildlife; and

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“(ii) over which that Federal agency, State, Indian tribe, or unit of local government has authority; and  
 “(B) relating to conservation practices or activities that could be implemented by a farmer, rancher, or private nonindustrial forest landowner to address a targeted soil, water, or wildlife resource concern that is the direct subject of a regulatory requirement enforced by that Federal agency, State, Indian tribe, or unit of local government, as applicable.

“(2) MECHANISMS.—The Secretary shall only provide additional technical and programmatic information under paragraph (1) if the mechanisms to be developed by the Federal agency, State, Indian tribe, or unit of local government, as applicable, under paragraph (1)(A) are anticipated to include, at a minimum—

“(A) the implementation of 1 or more conservation practices or activities that effectively addresses the soil, water, or wildlife resource concern identified under paragraph (1);

“(B) the on-site confirmation that the applicable conservation practices or activities identified under subparagraph (A) have been implemented;

“(C) a plan for a periodic audit, as appropriate, of the continued implementation or maintenance of each of the conservation practices or activities identified under subparagraph (A); and

“(D) notification to a farmer, rancher, or private nonindustrial forest landowner of, and an opportunity to correct, any noncompliance with a requirement to obtain regulatory certainty, regulatory predictability, safe harbor protection, or other similar regulatory assurance.

“(3) CONTINUING CURRENT COLLABORATION ON SOIL, WATER, OR WILDLIFE CONSERVATION PRACTICES.—The Secretary shall—

“(A) continue collaboration with Federal agencies, States, Indian tribes, or local units of government on existing regulatory certainty, regulatory predictability, safe harbor protection, or other similar regulatory assurances in accordance with paragraph (2); and

“(B) continue collaboration with the Secretary of the Interior on consultation under section 7(a)(2) of the Endangered Species Act of 1973 (16 U.S.C. 1536(a)(2)) or conference under section 7(a)(4) of that Act (16 U.S.C. 1536(a)(4)), as applicable, for wildlife conservation efforts, including the Working Lands for Wildlife model of conservation on working landscapes, as implemented on the day before the date of enactment of the Agriculture Improvement Act of 2018, in accordance with—

“(i) the document entitled ‘Partnership Agreement Between the United States Department of Agriculture Natural Resources Conservation Service and the United States Department of the Interior Fish and Wildlife Service’, numbered A–3A75–16–937, and formalized by the Chief of the Natural Resources Conservation Service on September 15, 2016, and by the Director of the United States Fish and Wildlife Service on August 4, 2016, as in effect on September 15, 2016; and

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“(ii) United States Fish and Wildlife Service Director’s Order No. 217, dated August 9, 2016, as in effect on August 9, 2016.

“(4) SAVINGS CLAUSE.—Nothing in this subsection—

“(A) preempts, displaces, or supplants any authority or right of a Federal agency, a State, an Indian tribe, or a unit of local government;

“(B) modifies or otherwise affects, preempts, or displaces—

“(i) any cause of action; or

“(ii) a provision of Federal or State law establishing a remedy for a civil or criminal cause of action; or

“(C) applies to a case in which the Department of Agriculture is the originating agency requesting a consultation or other technical and programmatic information or assistance from another Federal agency in assisting farmers, ranchers, or nonindustrial private forest landowners participating in a conservation program administered by the Secretary.”

16 USC 3801  
note.

**SEC. 2504. TEMPORARY ADMINISTRATION OF CONSERVATION PROGRAMS.**

(a) INTERIM ADMINISTRATION.—Subject to subsection (d), the Secretary shall use the applicable regulations in effect on the day before the date of enactment of this Act, to the extent that the terms and conditions of those regulations are consistent with the amendments made by this title, to carry out the programs under laws as amended by this title, including—

(1) the conservation reserve program under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) (as amended by subtitle B);

(2) the environmental quality incentives program under subchapter A of chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq) (as added by section 2301(a)(1) and amended by subtitle C);

(3) the conservation stewardship program under subchapter B of chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (as added by subsections (a)(2) and (b) of section 2301 and amended by subtitle C); and

(4) the agricultural conservation easement program established under subtitle H of title XII of the Food Security Act of 1985 (16 U.S.C. 3865 et seq.) (as amended by subtitle F).

(b) REGIONAL CONSERVATION PARTNERSHIP PROGRAM.—Notwithstanding subsection (e) of section 1271E of the Food Security Act of 1985 (16 U.S.C. 3871e) (as amended by section 2706), and subject to subsection (d), for fiscal year 2019, the Secretary may use an availability of program funding announcement consistent with the amendments made by subtitle G to carry out the regional conservation partnership program under subtitle I of title XII of the Food Security Act of 1985 (16 U.S.C. 3871 et seq.) without issuing a regulation.

(c) FUNDING.—The Secretary may only use funds authorized to be made available by this title or the amendments made by this title for the specific programs described in paragraphs (1) through (4) of subsection (a) and subsection (b), in accordance

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with any restrictions on the use of those funds, for the purposes described in subsections (a) and (b).

(d) **TERMINATION OF AUTHORITY.**—The authority of the Secretary to carry out subsections (a) and (b) shall terminate on September 30, 2019.

(e) **PERMANENT ADMINISTRATION.**—Effective beginning on the termination date described in subsection (d), the Secretary shall carry out this title and the amendments made by this title in accordance with such final regulations as the Secretary considers necessary to carry out this title and the amendments made by this title.

## **Subtitle F—Agricultural Conservation Easement Program**

### **SEC. 2601. ESTABLISHMENT AND PURPOSES.**

Section 1265(b) of the Food Security Act of 1985 (16 U.S.C. 3865(b)) is amended—

(1) in paragraph (3), by inserting “that negatively affect the agricultural uses and conservation values” after “that land”; and

(2) in paragraph (4), by striking “restoring and” and inserting “restoring or”.

### **SEC. 2602. DEFINITIONS.**

Section 1265A of the Food Security Act of 1985 (16 U.S.C. 3865a) is amended—

(1) in paragraph(1)(B), by striking “subject to an agricultural land easement plan, as approved by the Secretary”;

(2) by redesignating paragraphs (2), (3), (4), and (5) as paragraphs (3), (4), (6), and (7), respectively;

(3) by inserting after paragraph (1) the following:

“(2) **BUY-PROTECT-SELL TRANSACTION.**—

“(A) **IN GENERAL.**—The term ‘buy-protect-sell transaction’ means a legal arrangement—

“(i) between an eligible entity and the Secretary relating to land that an eligible entity owns or is going to purchase prior to acquisition of an agricultural land easement;

“(ii) under which the eligible entity certifies to the Secretary that the eligible entity shall—

“(I)(aa) hold an agricultural land easement on that land, but transfer ownership of the land to a farmer or rancher that is not an eligible entity prior to or on acquisition of the agricultural land easement; or

“(bb) hold an agricultural land easement on that land, but transfer ownership of the land to a farmer or rancher that is not an eligible entity in a timely manner and, subject to subparagraph (B), not later than 3 years after the date of acquisition of the agricultural land easement; and

“(II) make an initial sale of the land subject to the agricultural land easement to a farmer or rancher at not more than agricultural value, plus any reasonable holding and transaction costs

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incurred by the eligible entity, as determined by the Secretary; and

“(iii) under which the Secretary shall be reimbursed for the entirety of the Federal share of the cost of the agricultural land easement by the eligible entity if the eligible entity fails to transfer ownership under item (aa) or (bb), as applicable, of clause (ii)(I).

“(B) TIME EXTENSION.—Under subparagraph (A)(ii)(I)(bb), an eligible entity may transfer land later than 3 years after the date of acquisition of the agricultural land easement if the Secretary determines an extension of time is justified.”;

(4) in paragraph (4) (as so redesignated)—

(A) in subparagraph (A)(i)—

(i) by striking “to a” and inserting the following:

“to—

“(I) a”;

(ii) in subclause (I) (as so designated), by adding “or” at the end; and

(iii) by adding at the end the following:

“(II) a buy-protect-sell transaction.”; and

(B) in subparagraph (B)(i)(II), by striking “, as determined by the Secretary in consultation with the Secretary of the Interior at the local level”; and

(5) by inserting after paragraph (4) (as so redesignated) the following:

“(5) MONITORING REPORT.—The term ‘monitoring report’ means a report, the contents of which are formulated and prepared by the holder of an agricultural land easement, that accurately documents whether the land subject to the agricultural land easement is in compliance with the terms and conditions of the agricultural land easement.”.

#### SEC. 2603. AGRICULTURAL LAND EASEMENTS.

(a) AVAILABILITY OF ASSISTANCE.—Section 1265B(a) of the Food Security Act of 1985 (16 U.S.C. 3865b(a)) is amended—

(1) in paragraph (1), by striking “and” at the end;

(2) in paragraph (2), by striking “provide for the conservation of natural resources pursuant to an agricultural land easement plan.” and inserting “implement the program, including technical assistance for the development of a conservation plan under subsection (b)(4)(C)(iv); and”;

(3) by adding at the end the following:

“(3) buy-protect-sell transactions.”.

(b) COST-SHARE ASSISTANCE.—

(1) SCOPE OF ASSISTANCE AVAILABLE.—Section 1265B(b)(2) of the Food Security Act of 1985 (16 U.S.C. 3865b(b)(2)) is amended—

(A) in subparagraph (B), by striking clause (ii) and inserting the following:

“(ii) GRASSLANDS EXCEPTION.—In the case of grassland of special environmental significance, as determined by the Secretary, the Secretary may provide an amount not to exceed 75 percent of the fair market value of the agricultural land easement.

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“(iii) PERMISSIBLE FORMS.—The non-Federal share provided by an eligible entity under this subparagraph may comprise—

“(I) cash resources;

“(II) a charitable donation or qualified conservation contribution (as defined in section 170(h) of the Internal Revenue Code of 1986) from the private landowner from which the agricultural land easement will be purchased;

“(III) costs associated with securing a deed to the agricultural land easement, including the cost of appraisal, survey, inspection, and title; and

“(IV) other costs, as determined by the Secretary.”; and

(B) by striking subparagraph (C).

(2) EVALUATION AND RANKING OF APPLICATIONS.—Section 1265B(b)(3) of the Food Security Act of 1985 (16 U.S.C. 3865b(b)(3)) is amended—

(A) by redesignating subparagraph (C) as subparagraph (E); and

(B) by inserting after subparagraph (B) the following:

“(C) ACCOUNTING FOR GEOGRAPHIC DIFFERENCES.—The Secretary may adjust the criteria established under subparagraph (A) to account for geographic differences, if the adjustments—

“(i) meet the purposes of the program; and

“(ii) continue to maximize the benefit of the Federal investment under the program.

“(D) PRIORITY.—In evaluating applications under the program, the Secretary may give priority to an application for the purchase of an agricultural land easement that, as determined by the Secretary, maintains agricultural viability.”.

(3) AGREEMENTS WITH ELIGIBLE ENTITIES.—Section 1265B(b)(4) of the Food Security Act of 1985 (16 U.S.C. 3865b(b)(4)) is amended—

(A) in subparagraph (C), by striking clauses (iii) and (iv) and inserting the following:

“(iii) include a right of enforcement for the Secretary that—

“(I) may be used only if the terms and conditions of the easement are not enforced by the eligible entity; and

“(II) does not extend to a right of inspection unless—

“(aa)(AA) the holder of the easement fails to provide monitoring reports in a timely manner; or

“(BB) the Secretary has a reasonable and articulable belief that the terms and conditions of the easement have been violated; and

“(bb) prior to the inspection, the Secretary notifies the eligible entity and the landowner of the inspection and provides a reasonable opportunity for the eligible entity and the landowner to participate in the inspection;



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“(iv) include a conservation plan only for any portion of the land subject to the agricultural land easement that is highly erodible cropland; and”;

(B) by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively; and

(C) by inserting after subparagraph (C) the following:

“(D) ADDITIONAL PERMITTED TERMS AND CONDITIONS.—An eligible entity may include terms and conditions for an agricultural land easement that—

“(i) are intended to keep the land subject to the agricultural land easement under the ownership of a farmer or rancher, as determined by the Secretary;

“(ii) allow subsurface mineral development on the land subject to the agricultural land easement and in accordance with applicable State law if, as determined by the Secretary—

“(I) the subsurface mineral development—

“(aa) has a limited and localized impact;

“(bb) does not harm the agricultural use and conservation values of the land subject to the easement;

“(cc) does not materially alter or affect the existing topography;

“(dd) shall comply with a subsurface mineral development plan that—

“(AA) includes a plan for the remediation of impacts to the agricultural use and conservation values of the land subject to the easement; and

“(BB) is approved by the Secretary prior to the initiation of mineral development activity;

“(ee) is not accomplished by any surface mining method;

“(ff) is within the impervious surface limits of the easement under subparagraph (C)(v); and

“(gg) uses practices and technologies that minimize the duration and intensity of impacts to the agricultural use and conservation values of the land subject to the easement; and

“(II) each area impacted by the subsurface mineral development shall be reclaimed and restored by the holder of the mineral rights at cessation of operation; and

“(iii) include other relevant activities relating to the agricultural land easement, as determined by the Secretary.”.

(4) CERTIFICATION OF ELIGIBLE ENTITIES.—Section 1265B(b)(5) of the Food Security Act of 1985 (16 U.S.C. 3865b(b)(5)) is amended—

(A) in subparagraph (A)—

(i) in clause (ii), by striking “; and” and inserting a semicolon;

(ii) in clause (iii), by striking the period at the end and inserting “; and”;

(iii) by adding at the end the following:



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“(iv) allow a certified eligible entity to use its own terms and conditions, notwithstanding paragraph (4)(C), as long as the terms and conditions are consistent with the purposes of the program.”; and  
(B) in subparagraph (B)—

(i) in clause (iii), by redesignating subclauses (I) through (III) as items (aa) through (cc), respectively, and indenting appropriately;

(ii) by redesignating clauses (i) through (iii) as subclauses (I) through (III), respectively, and indenting appropriately;

(iii) in the matter preceding subclause (I) (as so redesignated), by striking “entity will” and inserting the following: “eligible entity—

“(i) will”;

(iv) in clause (i)(III)(cc) (as so redesignated), by striking the period at the end and inserting a semicolon; and

(v) by adding at the end the following:

“(ii) has—

“(I) been accredited by the Land Trust Accreditation Commission, or by an equivalent accrediting body, as determined by the Secretary;

“(II) acquired not fewer than 10 agricultural land easements under the program or any predecessor program; and

“(III) successfully met the responsibilities of the eligible entity under the applicable agreements with the Secretary, as determined by the Secretary, relating to agricultural land easements that the eligible entity has acquired under the program or any predecessor program; or

“(iii) is a State department of agriculture or other State agency with statutory authority for farm and ranchland protection that has—

“(I) acquired not fewer than 10 agricultural land easements under the program or any predecessor program; and

“(II) successfully met the responsibilities of the eligible entity under the applicable agreements with the Secretary, as determined by the Secretary, relating to agricultural land easements that the eligible entity has acquired under the program or any predecessor program.”.

(5) TECHNICAL ASSISTANCE.—Section 1265B of the Food Security Act of 1985 (16 U.S.C. 3865b) is amended by striking subsection (d) and inserting the following:

“(d) TECHNICAL ASSISTANCE.—The Secretary may provide technical assistance, if requested, to assist in compliance with the terms and conditions of easements.”.

**SEC. 2604. WETLAND RESERVE EASEMENTS.**

Section 1265C of the Food Security Act of 1985 (16 U.S.C. 3865c) is amended—

(1) in subsection (b)—

(A) in paragraph (3)(C), by inserting “or improving water quality” before the period at the end; and

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(B) in paragraph (5)—

(i) in subparagraph (C)—

(I) by striking “Land subject” and inserting the following:

“(i) IN GENERAL.—Land subject”;

(II) in clause (i) (as so designated), by inserting “water management,” after “timber harvest,”; and

(III) by adding at the end the following:

(ii) COMPATIBLE USE AUTHORIZATION.—In evaluating and authorizing a compatible economic use under clause (i), the Secretary shall—

“(I) request and consider the advice of the applicable State technical committee established under section 1261(a) about the 1 or more types of uses that may be authorized to be conducted on land subject to a wetland reserve easement, including the frequency, timing, and intensity of those uses;

“(II) consider the ability of an authorized use to facilitate the practical administration and management of that land; and

“(III) ensure that an authorized use furthers the functions and values for which the wetland reserve easement was established.”; and

(ii) in subparagraph (D)(i)(III), by inserting after “under subsection (f)” the following: “or a grazing reserve easement plan and has been reviewed, and modified as necessary, at least every 5 years”; and

(2) in subsection (f)—

(A) by striking paragraph (1) and inserting the following:

“(1) WETLAND RESERVE EASEMENT PLAN.—

“(A) IN GENERAL.—The Secretary shall develop a wetland reserve easement plan—

(i) for any eligible land subject to a wetland reserve easement; and

(ii) that restores, protects, enhances, manages, maintains, and monitors the eligible land subject to the wetland reserve easements acquired under this section.

(B) PRACTICES AND ACTIVITIES.—A wetland reserve easement plan under subparagraph (A) shall include practices and activities, including repair or replacement, that are necessary to restore and maintain the enrolled land and the functions and values of the wetland subject to a wetland reserve easement.”;

(B) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

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

(2) ALTERNATIVE PLANT COMMUNITIES.—The Secretary, in coordination with State technical committees established under section 1261(a) and pursuant to State-specific criteria and guidelines, may authorize the establishment or restoration of a hydrologically appropriate native community or alternative naturalized vegetative community as part of a wetland reserve easement plan on land subject to a wetland reserve easement

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if that hydrologically appropriate native or alternative naturalized vegetative community shall—

“(A) substantially support or benefit migratory waterfowl or other wetland wildlife; or

“(B) meet local resource concerns or needs (including as an element of a regional, State, or local wildlife initiative or plan).”.

**SEC. 2605. ADMINISTRATION.**

Section 1265D of the Food Security Act of 1985 (16 U.S.C. 3865d) is amended—

(1) in paragraph (a)(4), by striking “proposed” and inserting “permitted”;

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

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

“(1) SUBORDINATION.—The Secretary may subordinate any interest in land, or portion of such interest, administered by the Secretary (including for the purposes of utilities and energy transmission services) either directly or on behalf of the Commodity Credit Corporation under the program if the Secretary determines that the subordination—

“(A) increases conservation values or has a limited negative effect on conservation values;

“(B) minimally affects the acreage subject to the interest in land; and

“(C) is in the public interest or furthers the practical administration of the program.

“(2) MODIFICATION AND EXCHANGE.—

“(A) AUTHORITY.—The Secretary may approve a modification or exchange of any interest in land, or portion of such interest, administered by the Secretary, either directly or on behalf of the Commodity Credit Corporation under the program if the Secretary determines that—

“(i) no reasonable alternative exists and the effect on the interest in land is avoided or minimized to the extent practicable; and

“(ii) the modification or exchange—

“(I) results in equal or increased conservation values;

“(II) results in equal or greater economic value to the United States;

“(III) is consistent with the original intent of the easement;

“(IV) is consistent with the purposes of the program; and

“(V) is in the public interest or furthers the practical administration of the program.

“(B) LIMITATION.—In modifying or exchanging an interest in land, or portion of such interest, under this paragraph, the Secretary may not increase any payment to an eligible entity.

“(3) TERMINATION.—The Secretary may approve a termination of any interest in land, or portion of such interest, administered by the Secretary, directly or on behalf of the Commodity Credit Corporation under the program if the Secretary determines that—

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“(A) termination is in the interest of the Federal Government;

“(B) the United States will be fully compensated for—

“(i) the fair market value of the interest in land;

“(ii) any costs relating to the termination; and

“(iii) any damages determined appropriate by the Secretary; and

“(C) the termination will—

“(i) address a compelling public need for which there is no practicable alternative even with avoidance and minimization; and

“(ii) further the practical administration of the program.

“(4) CONSENT.—The Secretary shall obtain consent from the landowner and eligible entity, if applicable, for any subordination, exchange, modification, or termination of interest in land, or portion of such interest, under this subsection.

“(5) NOTICE.—At least 90 days before taking any termination action described in paragraph (3), the Secretary shall provide written notice of such action to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.”; and (3) in subsection (d)—

(A) in paragraph (1), by striking “transferred into the program” and inserting “enrolled in an easement under section 1265C(b)”; and

(B) by adding at the end the following:

“(3) AGRICULTURAL LAND EASEMENTS.—A farmer or rancher who owns eligible land subject to an agricultural land easement may enter into a contract under subchapter B of chapter 1 of subtitle D.”.

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

### **SEC. 2701. ESTABLISHMENT AND PURPOSES.**

Section 1271 of the Food Security Act of 1985 (16 U.S.C. 3871) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by inserting “, including partnership agreements funded through alternative funding arrangements or grant agreements under section 1271C(d),” after “partnership agreements”; and

(B) in paragraph (2), by striking “contracts with producers” and inserting “program contracts with producers”; and

(2) in subsection (b)—

(A) in paragraph (1), in the matter preceding subparagraph (A), by striking “use covered programs” and inserting “carry out eligible activities”; and

(B) by striking paragraph (2) and inserting the following:

“(2) To further the conservation, protection, restoration, and sustainable use of soil, water (including sources of drinking water and groundwater), wildlife, agricultural land, and related

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natural resources on eligible land on a regional or watershed scale.”;

(C) in paragraph (3)—

(i) in subparagraph (A), by inserting “, including through alignment of partnership projects with other national, State, and local agencies and programs addressing similar natural resource or environmental concerns” after “eligible land”; and

(ii) in subparagraph (B), by striking “installation” and inserting “adoption, installation,”; and

(D) by adding at the end the following:

“(4) To encourage the flexible and streamlined delivery of conservation assistance to producers through partnership agreements.

“(5) To engage producers and eligible partners in conservation projects to achieve greater conservation outcomes and benefits for producers than would otherwise be achieved.”.

#### SEC. 2702. DEFINITIONS.

Section 1271A of the Food Security Act of 1985 (16 U.S.C. 3871a) is amended—

(1) in paragraph (1)—

(A) in subparagraph (C), by inserting “, not including the grassland conservation initiative under section 1240L–1” before the period at the end; and

(B) by adding at the end the following:

“(E) The conservation reserve program established under subchapter B of chapter 1 of subtitle D.

“(F) The programs established by the Secretary to carry out the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.), except for any program established by the Secretary to carry out section 14 (16 U.S.C. 1012) of that Act.”;

(2) by striking paragraphs (2) and (3) and inserting the following:

“(2) ELIGIBLE ACTIVITY.—The term ‘eligible activity’ means a practice, activity, agreement, easement, or related conservation measure that is available under the statutory authority for a covered program.

“(3) ELIGIBLE LAND.—The term ‘eligible land’ means any agricultural or nonindustrial private forest land or associated land on which the Secretary determines an eligible activity would help achieve conservation benefits.”;

(3) in paragraph (4)—

(A) in subparagraph (E), by inserting “acequia,” after “irrigation district,”; and

(B) by adding at the end the following:

“(I) An organization described in section 1265A(3)(B).

“(J) A conservation district.”;

(4) by striking paragraph (5) and inserting the following:

“(5) PARTNERSHIP AGREEMENT.—The term ‘partnership agreement’ means the programmatic agreement entered into between the Secretary and an eligible partner, subject to the terms and conditions under section 1271B.”; and

(5) by adding at the end the following:

“(7) PROGRAM CONTRACT.—

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“(A) IN GENERAL.—The term ‘program contract’ means the contract between the Secretary and a producer entered into under this subtitle.

“(B) EXCLUSION.—The term ‘program contract’ does not include a contract under a covered program.”.

**SEC. 2703. REGIONAL CONSERVATION PARTNERSHIPS.**

Section 1271B of the Food Security Act of 1985 (16 U.S.C. 3871b) is amended—

(1) by striking subsection (b) and inserting the following:

“(b) LENGTH.—

“(1) IN GENERAL.—A partnership agreement shall be—

“(A) for a period not to exceed 5 years; or

“(B) for a period that is longer than 5 years, if the longer period is necessary to meet the objectives of the program, as determined by the Secretary.

“(2) RENEWAL.—A partnership agreement may be renewed under subsection (e)(5) for a period not to exceed 5 years.

“(3) EXTENSION.—A partnership agreement, or any renewal of a partnership agreement, may each be extended 1 time for a period not longer than 12 months, as determined by the Secretary.”;

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in subparagraph (A)—

(I) by redesignating clauses (iii) and (iv) as clauses (iv) and (v), respectively; and

(II) by striking clauses (i) and (ii) and inserting the following:

“(i) 1 or more conservation benefits that the project shall achieve;

“(ii) the eligible activities on eligible land to be conducted under the project to achieve conservation benefits;

“(iii) the implementation timeline for carrying out the project, including any interim milestones.”;

(ii) in subparagraph (D), by striking “funds” and inserting “contributions”; and

(iii) in subparagraph (E), by striking “of the project’s effects; and” and inserting the following: “of—

“(i) the progress made by the project in achieving each conservation benefit defined in the partnership agreement, including in a quantified form to the extent practicable; and

“(ii) as appropriate, other outcomes of the project; and”;

(B) in paragraph (2)—

(i) by striking “An eligible” and inserting the following:

“(A) IN GENERAL.—An eligible”; and

(ii) by adding at the end the following:

“(B) FORM.—A contribution of an eligible partner under this paragraph may be in the form of—

“(i) direct funding;

“(ii) in-kind support; or

“(iii) a combination of direct funding and in-kind support.



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“(C) TREATMENT.—Any amounts expended during the period beginning on the date on which the Secretary announces the approval of an application under subsection (e) and ending on the day before the effective date of the partnership agreement by an eligible partner for staff salaries or development of the partnership agreement may be considered to be a part of the contribution of the eligible partner under this paragraph.”;

(3) by redesignating subsection (d) as subsection (e);

(4) by inserting after subsection (c) the following:

“(d) DUTIES OF SECRETARY.—The Secretary shall—

“(1) establish a timeline for carrying out the duties of the Secretary under a partnership agreement, including—

“(A) entering into program contracts with producers;

“(B) providing financial assistance to producers; and

“(C) in the case of a partnership agreement that is funded through an alternative funding arrangement or grant agreement under section 1271C(d), providing the payments to the eligible partner for carrying out eligible activities;

“(2) identify in each State a program coordinator for the State, who shall be responsible for providing assistance to eligible partners under the program;

“(3) establish guidance to assist eligible partners with carrying out the assessment required under subsection (c)(1)(E);

“(4) provide to each eligible partner that has entered into a partnership agreement that is not funded through an alternative funding arrangement or grant agreement under section 1271C(d)—

“(A) a semiannual report describing the status of each pending and obligated contract under the project of the eligible partner; and

“(B) an annual report describing how the Secretary used amounts reserved by the Secretary for that year for technical assistance under section 1271D(f); and

“(5) ensure that any eligible activity effectively achieves the conservation benefits identified in the partnership agreement under subsection (c)(1)(A)(i).”;

(5) in subsection (e) (as redesignated by paragraph (3))—

(A) in paragraph (1), by inserting “simplified” after “conduct a”;

(B) in paragraph (3)—

(i) by striking the paragraph designation and heading and all that follows through “description of—” and inserting the following:

“(3) CONTENTS.—The Secretary shall develop a simplified application that includes a description of—”;

(ii) in subparagraph (C), by striking “, including the covered programs to be used”; and

(iii) in subparagraph (D), by striking “financial”;

(C) in paragraph (4)—

(i) by striking subparagraph (D);

(ii) by redesignating subparagraphs (E) and (F) as subparagraphs (G) and (H), respectively; and

(iii) by inserting after subparagraph (C) the following:

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“(D) build new partnerships with local, State, and private entities to include a diversity of stakeholders in the project;

“(E) deliver a high percentage of applied conservation—  
“(i) to achieve conservation benefits; or

“(ii) in the case of a project in a critical conservation area under section 1271F, to address the priority resource concern for that critical conservation area;

“(F) implement the project consistent with existing watershed, habitat, or other area restoration plans;” and  
(D) by adding at the end the following:

“(5) RENEWALS.—If the Secretary determines that a project that is the subject of a partnership agreement has met or exceeded the objectives of the project, the Secretary may renew the partnership agreement through an expedited noncompetitive process if the 1 or more eligible partners that are parties to the partnership agreement request the renewal in order—

“(A) to continue to implement the project under a renewal of the partnership agreement; or

“(B) to expand the scope of the project under a renewal of the partnership agreement, as long as the expansion is within the objectives and purposes of the original partnership agreement.”; and

(6) by adding at the end the following:

“(f) NONAPPLICABILITY OF ADJUSTED GROSS INCOME LIMITATION.—The adjusted gross income limitation described in section 1001D(b)(1) shall not apply to an eligible partner under the program.”.

**SEC. 2704. ASSISTANCE TO PRODUCERS.**

Section 1271C of the Food Security Act of 1985 (16 U.S.C. 3871c) is amended—

(1) by striking subsections (a) and (b) and inserting the following:

“(a) IN GENERAL.—A producer may receive financial or technical assistance to conduct eligible activities on eligible land through a program contract entered into with the Secretary.

“(b) PROGRAM CONTRACTS.—

“(1) IN GENERAL.—The Secretary shall establish a program contract to be entered into with a producer to conduct eligible activities on eligible land, subject to such terms and conditions as the Secretary may establish.

“(2) APPLICATION BUNDLES.—

“(A) IN GENERAL.—An eligible partner may submit to the Secretary, on behalf of producers, a bundle of applications for assistance under the program through program contracts to address a substantial portion of the conservation benefits to be achieved by the project, as defined in the partnership agreement.

“(B) PRIORITY.—The Secretary may give priority to applications described in subparagraph (A).”;

(2) in subsection (c)—

(A) in paragraph (1), by striking “In accordance with statutory requirements of the covered programs involved, the Secretary may make payments to a producer” and inserting “Subject to section 1271D, the Secretary may make payments to a producer”; and

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(B) in paragraph (3), by striking “participating”; and  
(3) by adding at the end the following:

“(d) FUNDING THROUGH ALTERNATIVE FUNDING ARRANGEMENTS  
OR GRANT AGREEMENTS.—

“(1) IN GENERAL.—A partnership agreement entered into with an eligible partner may be funded through an alternative funding arrangement or grant in accordance with this subsection.

“(2) DUTIES OF THE SECRETARY.—The Secretary shall—

“(A) under a funding agreement under paragraph (1)—

“(i) use funding made available to carry out this subtitle to provide funding directly to the eligible partner; and

“(ii) provide technical and administrative assistance, as mutually agreed by the parties; and

“(B) enter into not more than 15 alternative funding arrangements or grant agreements with 1 or more eligible partners each fiscal year.

“(3) DUTIES OF ELIGIBLE PARTNERS.—Under a funding agreement under paragraph (1), the eligible partner shall—

“(A) carry out eligible activities on eligible land in agreement with producers to achieve conservation benefits on a regional or watershed scale, such as—

“(i) infrastructure investments relating to agricultural or nonindustrial private forest production that would—

“(I) benefit multiple producers; and

“(II) address natural resource concerns such as drought, wildfire, or water quality impairment on the land covered by the project;

“(ii) projects addressing natural resources concerns in coordination with producers, including the development and implementation of watershed, habitat, or other area restoration plans;

“(iii) projects that use innovative approaches to leveraging the Federal investment in conservation with private financial mechanisms, in conjunction with agricultural production or forest resource management, such as—

“(I) the provision of performance-based payments to producers; and

“(II) support for an environmental market; or

“(iv) other projects for which the Secretary determines that the goals and objectives of the program would be easier to achieve through the funding agreement under paragraph (1); and

“(B) submit to the Secretary, in addition to any information that the Secretary requires to prepare the report under section 1271E(b), an annual report that describes the status of the project, including a description of—

“(i) the use of the funds awarded under paragraph (1);

“(ii) any subcontracts awarded;

“(iii) the producers receiving funding through the funding agreement under paragraph (1);

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“(iv)(I) the progress made by the project in addressing each natural resource concern defined in the funding agreement under paragraph (1), including in a quantified form to the extent practicable; and  
 “(II) as appropriate, other outcomes of the project; and  
 “(v) any other reporting data the Secretary determines are necessary to ensure compliance with the program rules.”.

**SEC. 2705. FUNDING.**

Section 1271D of the Food Security Act of 1985 (16 U.S.C. 3871d) is amended—

- (1) in subsection (a)—
  - (A) by striking “\$100,000,000” and inserting “\$300,000,000”; and
  - (B) by striking “2014 through 2018” and inserting “2019 through 2023”;
- (2) by striking subsection (c);
- (3) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively;
- (4) in subsection (c) (as so redesignated)—
  - (A) in the matter preceding paragraph (1)—
    - (i) by striking “and acres”; and
    - (ii) by striking “and reserved for the program under subsection (c)”;
  - (B) in paragraph (1)—
    - (i) by striking “25 percent of the funds and acres to projects based on a State competitive process administered by the State Conservationist, with the advice of the State technical committee” and inserting “50 percent of the funds to projects based on a State or multistate competitive process administered by the Secretary at the local level with the advice of the applicable State technical committees”; and
    - (ii) by adding “and” after the semicolon;
  - (C) by striking paragraph (2);
  - (D) by redesignating paragraph (3) as paragraph (2);
- and
- (E) in paragraph (2) (as so redesignated), by striking “35 percent of the funds and acres” and inserting “50 percent of the funds”;
- (5) in subsection (d) (as so redesignated)—
  - (A) by striking “None of the funds made available or reserved for the program” and inserting the following:
 

“(1) IN GENERAL.—Except as provided in paragraph (2), none of the funds made available for the program, including for a partnership agreement funded through an alternative funding arrangement or grant agreement under section 1271C(d),”;
  - (B) by adding at the end the following:
 

“(2) PROJECT DEVELOPMENT AND OUTREACH.—Under a partnership agreement that is not funded through an alternative funding arrangement or grant agreement under section 1271C(d), the Secretary may advance reasonable amounts of funding for not longer than 90 days for technical assistance

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to eligible partners to conduct project development and outreach activities in a project area, including—

“(A) providing outreach and education to producers for potential participation in the project;

“(B) establishing baseline metrics to support the development of the assessment required under section 1271B(c)(1)(E); or

“(C) providing technical assistance to producers.”; and

(6) by adding at the end the following:

“(e) TECHNICAL ASSISTANCE.—

“(1) IN GENERAL.—At the time of project selection, the Secretary shall identify and make publicly available the amount that the Secretary shall use to provide technical assistance under the terms of the partnership agreement.

“(2) LIMITATION.—The Secretary shall limit costs of the Secretary for technical assistance to costs specific and necessary to carry out the objectives of the program.

“(3) THIRD-PARTY PROVIDERS.—The Secretary shall develop and implement strategies to encourage third-party technical service providers to provide technical assistance to eligible partners pursuant to a partnership agreement.”.

#### SEC. 2706. ADMINISTRATION.

Section 1271E of the Food Security Act of 1985 (16 U.S.C. 3871e) is amended—

(1) in subsection (a), by striking “1271B(d)” each place it appears and inserting “1271B(e)”;

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking “December 31, 2014” and inserting “December 31, 2019”;

(B) by redesignating paragraphs (1) through (4) as paragraphs (2) through (5), respectively;

(C) by inserting before paragraph (2) (as so redesignated) the following:

“(1) a summary of—

“(A) the progress made towards achieving the conservation benefits defined for the projects; and

“(B) any other related outcomes of the projects;”;

(D) in paragraph (4) (as so redesignated), by striking “and” at the end;

(E) in paragraph (5) (as so redesignated)—

(i) in the matter preceding subparagraph (A), by striking “1271C(b)(2)” and inserting “1271C(d)”;

(ii) in subparagraph (C), by striking the period at the end and inserting “; and”;

(F) by adding at the end the following:

“(6) in the case of a project within a critical conservation area under section 1271F, the status of each priority resource concern for each designated critical conservation area, including—

“(A) the priority resource concerns for which each critical conservation area is designated;

“(B) conservation goals and outcomes sufficient to demonstrate that progress is being made to address the priority resource concerns;

“(C) the partnership agreements selected to address each conservation goal and outcome; and

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“(D) the extent to which each conservation goal and outcome is being addressed by the partnership agreements.”; and

(3) by adding at the end the following:

“(c) COMPLIANCE WITH CERTAIN REQUIREMENTS.—The Secretary may not provide assistance under the program to a producer unless the producer agrees, during the program year for which the assistance is provided—

“(1) to comply with applicable conservation requirements under subtitle B; and

“(2) to comply with applicable wetland protection requirements under subtitle C.

“(d) HISTORICALLY UNDERSERVED PRODUCERS.—To the maximum extent practicable, in carrying out the program, the Secretary and eligible partners shall conduct outreach to beginning farmers and ranchers, veteran farmers and ranchers, socially disadvantaged farmers and ranchers, and limited resource farmers and ranchers to encourage participation by those producers in a project subject to a partnership agreement or funding agreement under 1271C(d).

“(e) REGULATIONS.—The Secretary shall issue regulations to carry out the program.”.

**SEC. 2707. CRITICAL CONSERVATION AREAS.**

Section 1271F of the Food Security Act of 1985 (16 U.S.C. 3871f) is amended—

(1) by redesignating subsections (a), (b), and (c) as subsections (b), (c), and (e), respectively;

(2) by inserting before subsection (b) (as so redesignated) the following:

“(a) DEFINITIONS.—In this section:

“(1) CRITICAL CONSERVATION AREA.—The term ‘critical conservation area’ means a geographical area that contains a critical conservation condition that can be addressed through the program.

“(2) PRIORITY RESOURCE CONCERN.—The term ‘priority resource concern’ means a natural resource concern located in a critical conservation area that can be addressed through—

“(A) water quality improvement, including through reducing erosion, promoting sediment control, and addressing nutrient management activities affecting large bodies of water of regional, national, or international significance;

“(B) water quantity improvement, including improvement relating to—

“(i) drought;

“(ii) groundwater, surface water, aquifer, or other water sources; or

“(iii) water retention and flood prevention;

“(C) wildlife habitat restoration to address species of concern at a Federal, State, or local level; and

“(D) other natural resource improvements, as determined by the Secretary, within the critical conservation area.”;

(3) in subsection (b) (as so redesignated)—

(A) by striking “(b) IN GENERAL.—” and inserting the following:

“(b) APPLICATIONS.—”;



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(B) by striking “1271D(d)(3)” and inserting “1271D(d)(2)”;

(C) by striking “producer” and inserting “program”;

and

(D) by inserting “that address 1 or more priority resource concerns for which the critical conservation area is designated” before the period at the end;

(4) in subsection (c) (as so redesignated)—

(A) by redesignating paragraphs (1) through (3) as paragraphs (2) through (4), respectively;

(B) by inserting before paragraph (2) (as so redesignated) the following:

“(1) IN GENERAL.—The Secretary shall identify 1 or more priority resource concerns that apply to each critical conservation area designated under this section after the date of enactment of the Agricultural Act of 2014 (Public Law 113–79; 128 Stat. 649), including the conservation goals and outcomes sufficient to demonstrate that progress is being made to address the priority resource concern.”;

(C) in paragraph (2) (as so redesignated)—

(i) by striking subparagraphs (C) and (D) and inserting the following:

“(C) contains 1 or more priority resource concerns; or”;

and

(ii) by redesignating subparagraph (E) as subparagraph (D); and

(D) by striking paragraph (3) (as so redesignated) and inserting the following:

“(3) REVIEW AND WITHDRAWAL.—The Secretary may—

(A) review designations of critical conservation areas under this section not more frequently than once every 5 years; and

(B) withdraw designation of a critical conservation area only if the Secretary determines that the area is no longer a critical conservation area.”;

(5) by inserting after subsection (c) (as so redesignated) the following:

“(d) OUTREACH TO ELIGIBLE PARTNERS AND PRODUCERS.—The Secretary shall provide outreach and education to eligible partners and producers in critical conservation areas designated under this section to encourage the development of projects to address each priority resource concern identified by the Secretary for that critical conservation area.”; and

(6) in subsection (e) (as so redesignated)—

(A) in paragraph (1), by striking “producer” and inserting “program”;

and

(B) by striking paragraph (3).

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## **Subtitle H—Repeals and Technical Amendments**

### **PART I—REPEALS**

#### **SEC. 2811. REPEAL OF CONSERVATION CORRIDOR DEMONSTRATION PROGRAM.**

(a) **IN GENERAL.**—Subtitle G of title II of the Farm Security and Rural Investment Act of 2002 (16 U.S.C. 3801 note; Public Law 107–171) is repealed.

(b) **CONFORMING AMENDMENT.**—Section 5059 of the Water Resources Development Act of 2007 (16 U.S.C. 3801 note; Public Law 110–114) is repealed.

#### **SEC. 2812. REPEAL OF CRANBERRY ACREAGE RESERVE PROGRAM.**

Section 10608 of the Farm Security and Rural Investment Act of 2002 (16 U.S.C. 3801 note; Public Law 107–171) is repealed.

#### **SEC. 2813. REPEAL OF NATIONAL NATURAL RESOURCES FOUNDATION.**

Subtitle F of title III of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 5801 et seq.) is repealed.

16 USC 5801 and note, 5802–5809.

#### **SEC. 2814. REPEAL OF FLOOD RISK REDUCTION.**

Section 385 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7334) is repealed.

#### **SEC. 2815. REPEAL OF STUDY OF LAND USE FOR EXPIRING CONTRACTS AND EXTENSION OF AUTHORITY.**

Section 1437 of the Food, Agriculture, Conservation, and Trade Act of 1990 (16 U.S.C. 3831 note; Public Law 101–624) is repealed.

#### **SEC. 2816. REPEAL OF INTEGRATED FARM MANAGEMENT PROGRAM OPTION.**

Section 1451 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5822) is repealed.

#### **SEC. 2817. REPEAL OF CLARIFICATION OF DEFINITION OF AGRICULTURAL LANDS.**

Section 325 of the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104–127; 110 Stat. 992) is repealed.

### **PART II—TECHNICAL AMENDMENTS**

#### **SEC. 2821. TECHNICAL AMENDMENTS.**

(a) **WATERSHED PROTECTION AND FLOOD PREVENTION ACT.**—Section 5(4) of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1005(4)) is amended—

(1) by striking “goodwater” and inserting “floodwater”; and  
(2) by striking “Secretary of Health, Education, and Welfare” each place it appears and inserting “Secretary of Health and Human Services”.

(b) **DELINEATION OF WETLANDS; EXEMPTIONS.**—Section 1222(j) of the Food Security Act of 1985 (16 U.S.C. 3822(j)) is amended by striking “National Resources Conservation Service” and inserting “Natural Resources Conservation Service”.

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(c) FARMABLE WETLAND PROGRAM.—Section 1231B(b)(2)(A)(i) of the Food Security Act of 1985 (16 U.S.C. 3831b(b)(2)(A)(i)) is amended by adding a semicolon at the end.

(d) TERMINAL LAKES ASSISTANCE.—Section 2507 of the Farm Security and Rural Investment Act of 2002 (16 U.S.C. 3839bb–6) is amended—

(1) in subsection (e)—

(A) by striking paragraph (1);

(B) by redesignating paragraph (2) as paragraph (1);

and

(C) by adding at the end the following:

“(2) NO ADDITIONAL FUNDS.—

“(A) IN GENERAL.—Nothing in this section authorizes any additional funds to carry out this section.

“(B) AVAILABILITY OF FUNDS.—Any funds made available to carry out this section before the date of enactment of the Agriculture Improvement Act of 2018 may remain available until expended.”; and

(2) by adding at the end the following:

“(f) TERMINATION OF AUTHORITY.—The authority provided by this section shall terminate on October 1, 2023.”.

(e) DELIVERY OF TECHNICAL ASSISTANCE.—Section 1242 of the Food Security Act of 1985 (16 U.S.C. 3842) is amended by striking “third party” each place it appears and inserting “third-party”.

(f) ADMINISTRATIVE REQUIREMENTS FOR CONSERVATION PROGRAMS.—Section 1244(b)(4)(B) of the Food Security Act of 1985 (16 U.S.C. 3844(b)(4)(B)) is amended by striking “General Accounting Office” and inserting “Government Accountability Office”.

#### **SEC. 2822. STATE TECHNICAL COMMITTEES.**

(a) STANDARDS.—Section 1261(b)(2) of the Food Security Act of 1985 (16 U.S.C. 3861(b)(2)) is amended by striking “under section 1262(b)”.

(b) COMPOSITION.—Section 1261(c) of the Food Security Act of 1985 (16 U.S.C. 3861(c)) is amended by adding at the end the following:

“(14) The State Cooperative Extension Service and land grant university in the State.”.

## **TITLE III—TRADE**

### **Subtitle A—Food for Peace Act**

#### **SEC. 3101. LABELING REQUIREMENTS.**

Section 202(g) of the Food for Peace Act (7 U.S.C. 1722(g)) is amended to read as follows:

“(g) LABELING OF ASSISTANCE.—Agricultural commodities and other assistance provided under this title shall, to the extent practicable, be clearly identified with appropriate markings on the package or container of such agricultural commodities or food procured outside of the United States, or on printed material that accompanies other assistance, in the language of the locality in which such commodities and other assistance are distributed, as being furnished by the people of the United States of America.”.

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**SEC. 3102. FOOD AID QUALITY ASSURANCE.**

Section 202(h)(3) of the Food for Peace Act (7 U.S.C. 1722(h)(3)) is amended by striking “2018” and inserting “2023”.

**SEC. 3103. LOCAL SALE AND BARTER OF COMMODITIES.**

Section 203 of the Food for Peace Act (7 U.S.C. 1723) is amended—

(1) in subsection (a), by inserting “to generate proceeds to be used as provided in this section” before the period at the end;

(2) by striking subsection (b); and

(3) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

**SEC. 3104. MINIMUM LEVELS OF ASSISTANCE.**

Section 204(a) of the Food for Peace Act (7 U.S.C. 1724(a)) is amended in paragraphs (1) and (2) by striking “2018” both places it appears and inserting “2023”.

**SEC. 3105. FOOD AID CONSULTATIVE GROUP.**

Section 205 of the Food for Peace Act (7 U.S.C. 1725) is amended—

(1) in subsection (d)(1), in the first sentence, by striking “45” and inserting “30”; and

(2) in subsection (f), by striking “2018” and inserting “2023”.

**SEC. 3106. ISSUANCE OF REGULATIONS.**

Section 207(c)(1) of the Food for Peace Act (7 U.S.C. 1726a(c)(1)) is amended by striking “the Agricultural Act of 2014” and inserting “the Agriculture Improvement Act of 2018”.

**SEC. 3107. OVERSIGHT, MONITORING, AND EVALUATION.**

Section 207(f)(4) of the Food for Peace Act (7 U.S.C. 1726a(f)(4)) is amended—

(1) in subparagraph (A)—

(A) by striking “\$17,000,000” and inserting “1.5 percent, but not less than \$17,000,000,”; and

(B) by striking “2018” each place it appears and inserting “2023”; and

(2) in subparagraph (B)—

(A) in clause (i), by striking “2018” and inserting “2023”; and

(B) in clause (ii), by striking “chapter 1 of part I of”.

**SEC. 3108. ASSISTANCE FOR STOCKPILING AND RAPID TRANSPORTATION, DELIVERY, AND DISTRIBUTION OF SHELF-STABLE PREPACKAGED FOODS.**

Section 208 of the Food for Peace Act (7 U.S.C. 1726b) is amended—

(1) by amending the section heading to read as follows: “INTERNATIONAL FOOD RELIEF PARTNERSHIP.”; and

(2) in subsection (f), by striking “2018” and inserting “2023”.

**SEC. 3109. CONSIDERATION OF IMPACT OF PROVISION OF AGRICULTURAL COMMODITIES AND OTHER ASSISTANCE ON LOCAL FARMERS AND ECONOMY.**

(a) INCLUSION OF ALL MODALITIES.—Section 403(a) of the Food for Peace Act (7 U.S.C. 1733(a)) is amended—

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(1) in the matter preceding paragraph (1), by inserting “, food procured outside of the United States, food voucher, or cash transfer for food” after “agricultural commodity”;

(2) in paragraph (1), by inserting “in the case of the provision of an agricultural commodity,” before “adequate”; and

(3) in paragraph (2), by striking “commodity” and inserting “agricultural commodity or use of the food procured outside of the United States, food voucher, or cash transfer for food”.

(b) AVOIDANCE OF DISRUPTIVE IMPACT.—Section 403(b) of the Food for Peace Act (7 U.S.C. 1733(b)) is amended—

(1) in the first sentence, by inserting “, the use of food procured outside of the United States, food vouchers, and cash transfers for food,” after “agricultural commodities”; and

(2) in the second sentence, by striking “of sales of agricultural commodities”.

**SEC. 3110. ALLOWANCE FOR DISTRIBUTION COSTS.**

Section 406(b)(6) of the Food for Peace Act (7 U.S.C. 1736(b)(6)) is amended by striking “and distribution costs” and inserting “, distribution, and program implementation costs to use the commodities”.

**SEC. 3111. PREPOSITIONING OF AGRICULTURAL COMMODITIES.**

Section 407(c)(4)(A) of the Food for Peace Act (7 U.S.C. 1736a(c)(4)(A)) is amended by striking “2018” each place it appears and inserting “2023”.

**SEC. 3112. ANNUAL REPORT REGARDING FOOD AID PROGRAMS AND ACTIVITIES.**

(a) IN GENERAL.—Section 407(f) of the Food for Peace Act (7 U.S.C. 1736a(f)) is amended to read as follows:

“(f) ANNUAL REPORT REGARDING FOOD AID PROGRAMS AND ACTIVITIES.—

“(1) ANNUAL REPORT.—Not later than April 1 of each fiscal year, the Administrator and the Secretary shall jointly, or each separately, prepare and submit to the appropriate committees of Congress a report regarding each program and activity carried out under this Act by the Administrator, the Secretary, or both, as applicable, during the prior fiscal year.

“(2) CONTENTS.—An annual report described in paragraph (1) shall include, with respect to the prior fiscal year, the following:

“(A) A list that contains a description of each country and organization that receives food and other assistance under this Act (including the quantity of food and assistance provided to each country and organization).

“(B) A general description of each project and activity implemented under this Act (including each activity funded through the use of local currencies) and the total number of beneficiaries of the project.

“(C) A statement describing the quantity of agricultural commodities made available to, and the total number of beneficiaries in, each country pursuant to—

“(i) this Act;

“(ii) section 416(b) of the Agricultural Act of 1949 (7 U.S.C. 1431(b));

“(iii) the Food for Progress Act of 1985 (7 U.S.C. 1736o); and

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“(iv) the McGovern-Dole International Food for Education and Child Nutrition Program established by section 3107 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736o–1).

“(D) An assessment of the progress made through programs under this Act towards reducing food insecurity in the populations receiving food assistance from the United States.

“(E) A description of efforts undertaken by the Food Aid Consultative Group under section 205 to achieve an integrated and effective food assistance program.

“(F) An assessment of—

“(i) each program oversight, monitoring, and evaluation system implemented under section 207(f); and

“(ii) the impact of each program oversight, monitoring, and evaluation system on the effectiveness and efficiency of assistance provided under this title.

“(G) An assessment of the progress made by the Administrator in addressing issues relating to quality with respect to the provision of food assistance.

“(H) A statement of the amount of funds (including funds for administrative costs, indirect cost recovery, internal transportation, storage and handling, and associated distribution costs) provided to each eligible organization that received assistance under this Act, that further describes the following:

“(i) How such funds were used by the eligible organization.

“(ii) The actual rate of return for each commodity made available under this Act, including factors that influenced the rate of return, and, for the commodity, the costs of bagging or further processing, ocean transportation, inland transportation in the recipient country, storage costs, and any other information that the Administrator and the Secretary determine to be necessary.

“(iii) For each instance in which a commodity was made available under this Act at a rate of return less than 70 percent, the reasons for the rate of return realized.

“(I) For funds expended for purposes of section 202(e), 406(b)(6), and 407(c)(1)(B), a detailed accounting of the expenditures and purposes of such expenditures with respect to each such section.

“(3) RATE OF RETURN DESCRIBED.—For purposes of applying subparagraph (H) of paragraph (2), the rate of return for a commodity shall be equal to the proportion that—

“(A) the proceeds the implementing partners generate through monetization; bears to

“(B) the cost to the Federal Government to procure and ship the commodity to a recipient country for monetization.”.

(b) CONFORMING REPEAL.—Subsection (m) of section 403 of the Food for Peace Act (7 U.S.C. 1733) is repealed.



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**SEC. 3113. DEADLINE FOR AGREEMENTS TO FINANCE SALES OR TO PROVIDE OTHER ASSISTANCE.**

Section 408 of the Food for Peace Act (7 U.S.C. 1736b) is amended by striking “2018” and inserting “2023”.

**SEC. 3114. MINIMUM LEVEL OF NONEMERGENCY FOOD ASSISTANCE.**

Section 412(e) of the Food for Peace Act (7 U.S.C. 1736f(e)) is amended to read as follows:

“(e) MINIMUM LEVEL OF NONEMERGENCY FOOD ASSISTANCE.—

“(1) IN GENERAL.—For each of fiscal years 2019 through 2023, not less than \$365,000,000 of the amounts made available to carry out emergency and nonemergency food assistance programs under title II, nor more than 30 percent of such amounts, shall be expended for nonemergency food assistance programs under such title.

“(2) COMMUNITY DEVELOPMENT FUNDS.—Funds appropriated each year to carry out part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) that are made available through grants or cooperative agreements to strengthen food security in developing countries and that are consistent with section 202(e)(1)(C) may be considered amounts expended for nonemergency food assistance programs for purposes of paragraph (1).

“(3) FARMER-TO-FARMER PROGRAM.—In determining the amount expended for a fiscal year for nonemergency food assistance programs under paragraph (1), amounts expended for that year to carry out programs under section 501 may be considered amounts expended for nonemergency food assistance programs.”.

**SEC. 3115. TERMINATION DATE FOR MICRONUTRIENT FORTIFICATION PROGRAMS.**

Section 415(c) of the Food for Peace Act (7 U.S.C. 1736g–2(c)) is amended by striking “2018” and inserting “2023”.

**SEC. 3116. JOHN OGWONSKI AND DOUG BEREUTER FARMER-TO-FARMER PROGRAM.**

Section 501 of the Food for Peace Act (7 U.S.C. 1737) is amended—

(1) in subsection (b)—

(A) in the matter preceding paragraph (1), by inserting “section 1342 of title 31, United States Code, or” after “Notwithstanding”;

(B) in paragraph (1) by inserting “technical” before “assistance”; and

(C) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by inserting “employees or staff of a State cooperative institution (as such term is defined in paragraph 18 of section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103), except that subparagraphs (E), (F), and (G) of such paragraph shall not apply),” after “private corporations,”; and

(ii) in subparagraph (A)—

(I) by striking “; and” at the end of clause (viii); and

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(II) by striking clause (ix) and inserting the following:

“(ix) agricultural education and extension;

“(x) selection of seed varieties and plant stocks;

“(xi) knowledge of insecticide and sanitation procedures to prevent crop destruction;

“(xii) use and maintenance of agricultural equipment and irrigation systems; and

“(xiii) selection of fertilizers and methods of soils treatment; and”;

(2) in subsection (d), in the matter preceding paragraph (1), by striking “2018” and inserting “2023”;

(3) in subsection (e)(1), in the matter preceding subparagraph (A), by striking “2018” and inserting “2023”; and

(4) by adding at the end the following:

“(f) GRANT PROGRAM TO CREATE NEW PARTNERS AND INNOVATION.—

“(1) IN GENERAL.—The Administrator of the Agency for International Development shall develop a grant program to be carried out in fiscal years 2019 through 2023 to facilitate new and innovative partnerships and activities under this title.

“(2) USE OF FUNDS.—A grant recipient under this subsection shall use funds received under this subsection to—

“(A) prioritize new implementing partners;

“(B) develop innovative volunteer models;

“(C) develop, improve, or maintain strategic partnerships with other United States development programs; and

“(D) expand the footprint and impact of the programs and activities under this title, and diversity among program participants, including land-grant colleges and universities and cooperative extension services (as such terms are defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)).”.

## Subtitle B—Agricultural Trade Act of 1978

### SEC. 3201. AGRICULTURAL TRADE PROMOTION AND FACILITATION.

(a) IN GENERAL.—Section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) is amended to read as follows:

#### “SEC. 203. AGRICULTURAL TRADE PROMOTION AND FACILITATION.

“(a) ESTABLISHMENT.—The Secretary shall carry out activities under this section—

“(1) to access, develop, maintain, and expand markets for United States agricultural commodities; and

“(2) to promote cooperation and the exchange of information.

“(b) MARKET ACCESS PROGRAM.—

“(1) DEFINITION OF ELIGIBLE TRADE ORGANIZATION.—In this subsection, the term ‘eligible trade organization’ means—

“(A) a United States agricultural trade organization or regional State-related organization that promotes the export and sale of United States agricultural commodities and that does not stand to profit directly from specific sales of United States agricultural commodities;

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“(B) a cooperative organization or State agency that promotes the sale of United States agricultural commodities; or

“(C) a private organization that promotes the export and sale of United States agricultural commodities if the Secretary determines that such organization would significantly contribute to United States export market development.

“(2) IN GENERAL.—The Commodity Credit Corporation shall establish and carry out a program, to be known as the ‘Market Access Program’, to encourage the development, maintenance, and expansion of commercial export markets for United States agricultural commodities (including commodities that are organically produced (as defined in section 2103 of the Organic Foods Production Act of 1990 (7 U.S.C. 6502))) through cost-share assistance to eligible trade organizations that implement a foreign market development program.

“(3) PARTICIPATION REQUIREMENTS.—

“(A) MARKETING PLAN AND OTHER REQUIREMENTS.—To be eligible for cost-share assistance under this subsection, an eligible trade organization shall—

“(i) prepare and submit a marketing plan to the Secretary that meets the guidelines governing such a marketing plan specified in this paragraph or otherwise established by the Secretary;

“(ii) meet any other requirements established by the Secretary; and

“(iii) enter into an agreement with the Secretary.

“(B) PURPOSE OF MARKETING PLAN.—A marketing plan submitted under this paragraph shall describe the advertising or other market oriented export promotion activities to be carried out by the eligible trade organization with respect to which assistance under this subsection is being requested.

“(C) SPECIFIC ELEMENTS.—To be approved by the Secretary, a marketing plan submitted under this paragraph shall—

“(i) specifically describe the manner in which assistance received by the eligible trade organization, in conjunction with funds and services provided by the eligible trade organization, will be expended in implementing the marketing plan;

“(ii) establish specific market goals to be achieved under the marketing plan; and

“(iii) contain whatever additional requirements are determined by the Secretary to be necessary.

“(D) BRANDED PROMOTION.—A marketing plan approved by the Secretary may provide for the use of branded advertising to promote the sale of United States agricultural commodities in a foreign country under such terms and conditions as may be established by the Secretary.

“(E) AMENDMENTS.—An approved marketing plan may be amended by the eligible trade organization at any time, subject to the approval of the amendment by the Secretary.

“(4) LEVEL OF ASSISTANCE AND COST-SHARE REQUIREMENTS.—

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“(A) IN GENERAL.—The Secretary shall justify in writing the level of assistance to be provided to an eligible trade organization under this subsection and the level of cost sharing required of the organization.

“(B) LIMITATION ON BRANDED PROMOTION.—Assistance provided under this subsection for activities described in paragraph (3)(D) shall not exceed 50 percent of the cost of implementing the marketing plan, except that the Secretary may determine not to apply such limitation in the case of United States agricultural commodities with respect to which there has been a favorable decision by the United States Trade Representative under section 301 of the Trade Act of 1974 (19 U.S.C. 2411). Criteria used by the Secretary for determining that the limitation shall not apply shall be consistent and documented.

“(5) OTHER TERMS AND CONDITIONS.—

“(A) MULTIYEAR BASIS.—The Secretary may provide assistance under this subsection on a multiyear basis, subject to annual review by the Secretary for compliance with the approved marketing plan.

“(B) TERMINATION OF ASSISTANCE.—The Secretary may terminate any assistance made, or to be made, available under this subsection if the Secretary determines that—

“(i) the eligible trade organization is not adhering to the terms and conditions applicable to the provision of the assistance;

“(ii) the eligible trade organization is not implementing the approved marketing plan or is not adequately meeting the established goals of the plan;

“(iii) the eligible trade organization is not adequately contributing its own resources to the implementation of the plan; or

“(iv) the Secretary determines that termination of assistance in a particular instance is in the best interests of the Market Access Program.

“(C) EVALUATIONS.—Beginning not later than 15 months after the initial provision of assistance under this subsection to an eligible trade organization, the Secretary shall monitor the expenditures by the eligible trade organization of such assistance, including the following:

“(i) An evaluation of the effectiveness of the marketing plan of the eligible trade organization in developing or maintaining markets for United States agricultural commodities.

“(ii) An evaluation of whether assistance provided under this subsection is necessary to maintain such markets.

“(iii) A thorough accounting of the expenditure by the eligible trade organization of the assistance provided under this subsection.

“(6) RESTRICTIONS ON USE OF FUNDS.—Assistance provided under this subsection to an eligible trade organization may not be used—

“(A) to provide direct assistance to any foreign for-profit corporation for the corporation’s use in promoting foreign-produced products; or

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“(B) to provide direct assistance to any for-profit corporation that is not recognized as a small business concern (as described in section 3(a) of the Small Business Act (15 U.S.C. 632(a))), excluding—

“(i) a cooperative;

“(ii) an association described in the first section of the Act entitled ‘An Act To authorize association of producers of agricultural products’, approved February 18, 1922 (7 U.S.C. 291); or

“(iii) a nonprofit trade association.

“(7) PERMISSIVE USE OF FUNDS.—Assistance provided under this subsection to a United States agricultural trade association, cooperative, or small business may be used for individual branded promotional activity related to a United States branded product, if the beneficiaries of the activity have provided funds for the activity in an amount that is at least equivalent to the amount of such assistance.

“(8) PRIORITY.—In providing assistance for branded promotion, the Secretary should give priority to small-sized entities.

“(9) CONTRIBUTION LEVEL.—

“(A) IN GENERAL.—The Secretary should require a minimum contribution level of 10 percent from an eligible trade organization that receives assistance for nonbranded promotion.

“(B) INCREASES IN CONTRIBUTION LEVEL.—The Secretary may increase the contribution level in any subsequent year that an eligible trade organization receives assistance for nonbranded promotion.

“(10) ADDITIONALITY.—The Secretary should require each participant in the Market Access Program to certify that any Federal funds received supplement, but do not supplant, private or third party participant funds or other contributions to Program activities.

“(11) INDEPENDENT AUDITS.—If as a result of an evaluation or audit of activities of a participant under the Market Access Program, the Secretary determines that a further review is justified in order to ensure compliance with the requirements of the Program, the Secretary should require the participant to contract for an independent audit of the Program activities, including activities of any subcontractor.

“(12) TOBACCO.—No funds made available under the Market Access Program may be used for activities to develop, maintain, or expand foreign markets for tobacco.

“(c) FOREIGN MARKET DEVELOPMENT COOPERATOR PROGRAM.—

“(1) DEFINITION OF ELIGIBLE TRADE ORGANIZATION.—In this subsection, the term ‘eligible trade organization’ means a United States trade organization that—

“(A) promotes the export of 1 or more United States agricultural commodities; and

“(B) does not have a business interest in or receive remuneration from specific sales of agricultural commodities.

“(2) ESTABLISHMENT.—The Secretary shall establish and, in cooperation with eligible trade organizations, carry out a program to be known as the ‘Foreign Market Development

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Cooperator Program’ to maintain and develop foreign markets for United States agricultural commodities.

“(3) USE OF FUNDS.—Funds made available to carry out this subsection shall be used only to provide—

“(A) cost-share assistance to an eligible trade organization under a contract or agreement with the eligible trade organization; and

“(B) assistance for other costs that are appropriate to carry out the Foreign Market Development Cooperator Program, including contingent liabilities that are not otherwise funded.

“(d) E (KIKI) DE LA GARZA EMERGING MARKETS PROGRAM.—

“(1) DEFINITION OF EMERGING MARKET.—In this subsection, the term ‘emerging market’ means any country, foreign territory, customs union, or other economic market that the Secretary determines—

“(A) is taking steps toward a market-oriented economy through the food, agriculture, or rural business sectors of its economy; and

“(B) has the potential to provide a viable and significant market for United States agricultural commodities.

“(2) ESTABLISHMENT.—The Secretary shall establish and carry out a program, to be known as the ‘E (Kika) de la Garza Emerging Markets Program’—

“(A) to develop agricultural markets in emerging markets; and

“(B) to promote cooperation and exchange of information between agricultural institutions and agribusinesses in the United States and emerging markets.

“(3) DEVELOPMENT OF AGRICULTURAL SYSTEMS.—

“(A) IN GENERAL.—

“(i) IMPLEMENTATION.—To develop, maintain, or expand markets for exports of United States agricultural commodities, the Secretary shall make available to emerging markets the expertise of the United States—

“(I) to make assessments of food and rural business systems needs;

“(II) to make recommendations on measures necessary to enhance the effectiveness of the food and rural business systems described in subclause (I), including potential reductions in trade barriers; and

“(III) to identify and carry out specific opportunities and projects to enhance the effectiveness of the food and rural business systems described in subclause (I).

“(ii) EXTENT OF PROGRAM.—The Secretary shall implement this subparagraph with respect to at least 3 emerging markets in each fiscal year.

“(B) EXPERTS FROM THE UNITED STATES.—The Secretary may implement subparagraph (A) by providing—

“(i) assistance to teams (consisting primarily of agricultural consultants, agricultural producers, other persons from the private sector, and government officials expert in assessing the food and rural business systems of other countries) to enable those teams to



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conduct the assessments, make the recommendations, and identify the opportunities and projects described in subparagraph (A)(i) in emerging markets;

“(i) for necessary subsistence and transportation expenses of—

“(I) United States food and rural business system experts, including United States agricultural producers and other United States individuals knowledgeable in agricultural and agribusiness matters, to enable such United States food and rural business system experts to assist in transferring knowledge and expertise to entities from emerging markets; and

“(II) individuals designated by emerging markets to enable such designated individuals to consult with such United States experts to enhance food and rural business systems of such emerging markets and to transfer knowledge and expertise to such emerging markets.

“(C) COST-SHARING.—The Secretary shall encourage the nongovernmental experts described in subparagraph (B) to share the costs of, and otherwise assist in, the participation of those experts in the E (Kika) de la Garza Emerging Markets Program.

“(D) TECHNICAL ASSISTANCE.—The Secretary is authorized to provide, or pay the necessary costs for, technical assistance (including the establishment of extension services) to enable individuals or other entities to carry out recommendations, projects, and opportunities in emerging markets, including recommendations, projects, and opportunities described in subclauses (II) and (III) of subparagraph (A)(i).

“(E) REPORTS TO SECRETARY.—A team that receives assistance under subparagraph (B)(i) shall prepare and submit to the Secretary such reports as the Secretary may require.

“(F) ADVISORY COMMITTEE.—To provide the Secretary with information that may be useful to the Secretary in carrying out this subsection, the Secretary may establish an advisory committee composed of representatives of the various sectors of the food and rural business systems of the United States.

“(G) EFFECT.—The authority provided under this subsection shall be in addition to and not in place of any other authority of the Secretary or the Commodity Credit Corporation.

“(e) TECHNICAL ASSISTANCE FOR SPECIALTY CROPS.—

“(1) ESTABLISHMENT.—The Secretary of Agriculture shall establish an export assistance program, in this subsection referred to as the ‘program’, to address existing or potential unique barriers that prohibit or threaten the export of United States specialty crops.

“(2) PURPOSE.—The program shall provide direct assistance through public and private sector projects and technical assistance, including through the program under section 2(e) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 3157(e)), to remove, resolve, or mitigate existing or

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potential sanitary, phytosanitary, and technical barriers to trade.

“(3) PRIORITY.—The program shall address time sensitive and strategic market access projects based on—

“(A) trade effect on market retention, market access, and market expansion; and

“(B) trade impact.

“(4) MULTIYEAR PROJECTS.—The Secretary may provide assistance under the program to a project for longer than a 5-year period if the Secretary determines that further assistance would effectively support the purpose described in paragraph (2).

“(5) OUTREACH AND TECHNICAL ASSISTANCE.—The Secretary shall—

“(A) conduct outreach to inform eligible organizations of the requirements of the program and the process by which such organizations may submit proposals for funding;

“(B) provide technical assistance to eligible organizations to assist in developing proposals and complying with the requirements of the program; and

“(C) solicit input from eligible organizations on improvements to streamline and facilitate the provision of assistance under this subsection.

“(6) REGULATIONS AND PROCEDURES.—

“(A) IN GENERAL.—Not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary shall review program regulations, procedures, and guidelines for assistance under this subsection and make revisions to streamline, improve, and clarify the application, approval and compliance processes for such assistance, including revisions to implement the requirements of paragraph (5).

“(B) CONSIDERATIONS.—In reviewing and making revisions under subparagraph (A), the Secretary shall consider—

“(i) establishing accountability standards that are appropriate for the size and scope of a project; and

“(ii) establishing streamlined application and approval processes, including for smaller-scale projects or projects to address time-sensitive trade barriers.

“(7) ANNUAL REPORT.—Each year, the Secretary shall submit to the appropriate committees of Congress a report that contains, for the period covered by the report, a description of—

“(A) each factor that affects the export of specialty crops, including each factor relating to any—

“(i) significant sanitary or phytosanitary issue;

“(ii) trade barrier; or

“(iii) emerging sanitary or phytosanitary issue or trade barrier; and

“(B)(i) any funds provided under subsection (f)(3)(A)(iv) that were not obligated in a fiscal year; and

“(ii) the reason such funds were not obligated.

“(f) FUNDING AND ADMINISTRATION.—

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“(1) COMMODITY CREDIT CORPORATION.—The Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this section.

“(2) FUNDING AMOUNT.—For each of fiscal years 2019 through 2023, of the funds of, or an equal value of commodities owned by, the Commodity Credit Corporation, the Secretary shall use to carry out this section \$255,000,000, to remain available until expended.

“(3) ALLOCATION.—

“(A) IN GENERAL.—For each of fiscal years 2019 through 2023, the Secretary shall allocate funds to carry out this section in accordance with the following:

“(i) MARKET ACCESS PROGRAM.—For market access activities authorized under subsection (b), of the funds of, or an equal value of commodities owned by, the Commodity Credit Corporation, not less than \$200,000,000 for each fiscal year.

“(ii) FOREIGN MARKET DEVELOPMENT COOPERATOR PROGRAM.—To carry out subsection (c), of the funds of, or an equal value of commodities owned by, the Commodity Credit Corporation, not less than \$34,500,000 for each fiscal year.

“(iii) E (KIKI) DE LA GARZA EMERGING MARKETS PROGRAM.—To provide assistance under subsection (d), of the funds of, or an equal value of commodities owned by, the Commodity Credit Corporation, not more than \$8,000,000 for each fiscal year.

“(iv) TECHNICAL ASSISTANCE FOR SPECIALTY CROPS.—To carry out subsection (e), of the funds of, or an equal value of the commodities owned by, the Commodity Credit Corporation, \$9,000,000 for each fiscal year.

“(v) PRIORITY TRADE FUND.—

“(I) IN GENERAL.—In addition to the amounts allocated under clauses (i) through (iv), and notwithstanding any limitations in those clauses, as determined by the Secretary, for 1 or more programs under this section for authorized activities to access, develop, maintain, and expand markets for United States agricultural commodities, \$3,500,000 for each fiscal year.

“(II) CONSIDERATIONS.—In allocating funds made available under subclause (I), the Secretary may consider providing a greater allocation to 1 or more programs under this section for which the amounts requested under applications exceed available funding for the 1 or more programs.

“(B) REALLOCATION.—Any funds allocated under clauses (i) through (iv) of subparagraph (A) that remain unobligated one year after the end of the fiscal year in which they are first made available shall be reallocated to the priority trade fund under subparagraph (A)(v). To the maximum extent practicable, the Secretary shall allocate such reallocated funds to support exports of those types of United States agricultural commodities eligible for assistance under the program for which the funds were originally allocated under subparagraph (A).

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“(4) CUBA.—Notwithstanding section 908 of the Trade Sanctions Reform and Export Enhancement Act of 2000 (22 U.S.C. 7207) or any other provision of law, funds made available under this section may be used to carry out the programs authorized under subsections (b) and (c) in Cuba. Funds may not be used as described in the previous sentence in contravention with directives set forth under the National Security Presidential Memorandum entitled ‘Strengthening the Policy of the United States Toward Cuba’ issued by the President on June 16, 2017, during the period in which that memorandum is in effect.

“(5) AUTHORIZATION OF APPROPRIATIONS.—In addition to any other amounts provided under this subsection, there are authorized to be appropriated such sums as are necessary to carry out the programs and authorities under paragraph (3)(A)(v) and subsections (b) through (e).”

(b) CONFORMING AMENDMENTS.—

(1) MARKET ACCESS PROGRAM.—

(A) Section 211 of the Agricultural Trade Act of 1978 (7 U.S.C. 5641) is amended by striking subsection (c).

(B) Section 402(a)(1) of the Agricultural Trade Act of 1978 (7 U.S.C. 5662(a)(1)) is amended by striking “203” and inserting “203(b)”.

(C) Section 282(f)(2)(C) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1638a(f)(2)(C)) is amended by striking “section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623)” and inserting “section 203(b) of the Agricultural Trade Act of 1978 (7 U.S.C. 5623(b))”.

(D) Section 718 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (7 U.S.C. 5623 note; Public Law 105–277) is amended by striking “section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623)” and inserting “section 203(b) of the Agricultural Trade Act of 1978 (7 U.S.C. 5623(b))”.

(E) Section 1302 of the Omnibus Budget Reconciliation Act of 1993 is repealed.

(2) FOREIGN MARKET DEVELOPMENT COOPERATOR PROGRAM.—Title VII of the Agricultural Trade Act of 1978 (7 U.S.C. 5721 et seq.) is repealed.

(3) E (KIKA) DE LA GARZA EMERGING MARKETS PROGRAM.—

(A) Section 1542 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5622 note; Public Law 101–624) is amended—

(i) by striking subsection (d);

(ii) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively; and

(iii) in subsection (e) (as so redesignated)—

(I) in the matter preceding paragraph (1), by striking “country” and inserting “country, foreign territory, customs union, or other economic market”; and

(II) in paragraph (1), by striking “the economy of the country” and inserting “its economy”.

(B) Section 1543(b)(5) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 3293(b)(5))

7 USC 5623 note.

7 USC  
5721–5723.

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is amended by striking “section 1542(f)” and inserting “section 1542(e)”.

(C) Section 1543A(c)(2) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5679(c)(2)) is amended by inserting “and section 203(d) of the Agricultural Trade Act of 1978” after “section 1542”.

(4) TECHNICAL ASSISTANCE FOR SPECIALTY CROPS.—Section 3205 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 5680) is repealed.

## Subtitle C—Other Agricultural Trade Laws

### SEC. 3301. GROWING AMERICAN FOOD EXPORTS.

Section 1543A of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5679) is amended—

(1) in subsection (b)(1)(A), by inserting “or new agricultural production technologies” after “biotechnology”; and

(2) in subsection (d), by striking “\$6,000,000” and all that follows through the period at the end and inserting “\$2,000,000 for each of fiscal years 2019 through 2023.”.

### SEC. 3302. FOOD FOR PROGRESS ACT OF 1985.

Section 1110 of the Food Security Act of 1985 (also known as the Food for Progress Act of 1985 (7 U.S.C. 1736o)) is amended—

(1) by striking “President” each place it appears and inserting “Secretary”;

(2) in subsection (b)—

(A) in paragraph (5)—

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

(E);

(ii) by redesignating subparagraph (F) as subparagraph (G); and

(iii) by inserting after subparagraph (E) the following new subparagraph:

“(F) a college or university (as such terms are defined in section 1404(4) of the Food and Agriculture Act of 1977 (7 U.S.C. 3103(4)); and”;

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

“(10) RATE OF RETURN.—For purposes of applying subsection (j)(3), the rate of return for an eligible commodity shall be equal to the proportion that—

“(A) the proceeds eligible entities generate through monetization of such commodity, bears to

“(B) the cost to the Federal Government to procure and ship the commodity to the country where it is monetized.

“(11) SECRETARY.—The term ‘Secretary’ means the Secretary of Agriculture.”;

(3) in subsection (f)(3), by striking “2018” and inserting “2023”;

(4) in subsection (g), by striking “2018” and inserting “2023”;

(5) in subsection (j)(3)—

(A) by striking “December 1” and inserting “April 1”;

(B) by striking “of the Senate a list of programs” and inserting “of the Senate—

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- “(A) a list of programs”;
- (C) by striking “approved to date for the fiscal year” and inserting “approved during the prior fiscal year”;
- (D) by striking the period at the end and inserting a semicolon; and
- (E) by adding at the end the following new subparagraphs:
- “(B) a description of the actual rate of return for each commodity made available under this section for the previous fiscal year including—
- “(i) factors that influenced the rate of return; and
- “(ii) with respect to the commodity, the costs of bagging or further processing, ocean transportation, inland transportation, storage costs, and any other information that the Secretary determines to be necessary; and
- “(C) for each instance in which a commodity was made available under this section at a rate of return less than 70 percent, an explanation for the rate of return realized.”.
- (6) in subsection (k), by striking “2018” and inserting “2023”;
- (7) in subsection (l)(1), by striking “2018” and inserting “2023”;
- (8) in the heading of subsection (m), by striking “PRESIDENTIAL” and inserting “SECRETARIAL”;
- (9) in subsection (o), by striking “(acting through the Secretary)”;
- (10) in subsection (o)(1), by striking “subparagraphs (C) and (F)” and inserting “subparagraphs (C) and (G)”;
- (11) by adding at the end the following new subsection:—
- “(p) PILOT AGREEMENTS.—
- “(1) IN GENERAL.—For each of fiscal years 2019 through 2023, subject to the availability of appropriations pursuant to the authorization in paragraph (3), the Secretary shall enter into 1 or more pilot agreements with 1 or more eligible entities through which the Secretary shall provide financial assistance to the eligible entities to carry out activities consistent with subsection (l)(4)(A).
- “(2) REPORT REQUIRED.—In each of fiscal years 2020 through 2024, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing, with respect to the previous fiscal year—
- “(A) the amount provided to eligible entities under each pilot agreement pursuant to paragraph (1) and how the funds were used;
- “(B) the activities carried out under each pilot agreement;
- “(C) the number of direct and indirect beneficiaries of those activities; and
- “(D) the effectiveness of the pilot agreements, including as applicable the impact on food security and agricultural productivity.
- “(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out pilot agreements pursuant to this subsection \$10,000,000 for each of fiscal years 2019 through 2023.”.



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**SEC. 3303. BILL EMERSON HUMANITARIAN TRUST ACT.**

Section 302 of the Bill Emerson Humanitarian Trust Act (7 U.S.C. 1736f–1) is amended—

- (1) in subsection (b)(2)(B)(i), by striking “2018” each place it appears and inserting “2023”; and
- (2) in subsection (h), by striking “2018” each place it appears and inserting “2023”.

**SEC. 3304. PROMOTION OF AGRICULTURAL EXPORTS TO EMERGING MARKETS.**

Section 1542(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5622 note; Public Law 101–624) is amended by striking “2018” and inserting “2023”.

**SEC. 3305. COCHRAN FELLOWSHIP PROGRAM.**

Section 1543 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 3293) is amended—

- (1) in subsection (a), by striking “for study in the United States.” and inserting the following: “for study—

- “(1) in the United States; or

- “(2) at a college or university located in an eligible country that the Secretary determines—

- “(A) has sufficient scientific and technical facilities;

- “(B) has established a partnership with at least one college or university in the United States; and

- “(C) has substantial participation by faculty members of the United States college or university in the design of the fellowship curriculum and classroom instruction under the fellowship.”;

- (2) in subsection (c)—

- (A) in paragraph (1), by inserting “(which may include agricultural extension services)” after “systems”; and

- (B) in paragraph (2)—

- (i) by striking “enhance trade” and inserting the following: “enhance—

- “(A) trade”;

- (ii) in subparagraph (A) (as so designated) by striking the period at the end and inserting “; or”;

- and

- (iii) by adding at the end the following:

- “(B) linkages between agricultural interests in the United States and regulatory systems governing sanitary and phytosanitary standards for agricultural products that—

- “(i) may enter the United States; and

- “(ii) may pose risks to human, animal, or plant life or health.”; and

- (3) in subsection (f)—

- (A) in paragraph (1), by striking “\$3,000,000” and inserting “\$4,000,000”;

- (B) in paragraph (2), by striking “\$2,000,000” and inserting “\$3,000,000”; and

- (C) in paragraph (3), by striking “\$5,000,000” and inserting “\$6,000,000”.

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**SEC. 3306. BORLAUG INTERNATIONAL AGRICULTURAL SCIENCE AND TECHNOLOGY FELLOWSHIP PROGRAM.**

Section 1473G of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319j) is amended—

(1) in subsection (c)(2)—

(A) in the matter preceding subparagraph (A), by striking “shall support” and inserting “support”;

(B) in subparagraph (C), by striking “and” at the end;

(C) in subparagraph (D), by striking the period at the end and inserting “; and”; and

(D) by adding at the end the following:

“(E) the development of agricultural extension services in eligible countries.”; and

(2) in subsection (f)—

(A) by striking “The Secretary” and inserting the following:

“(1) IN GENERAL.—The Secretary”; and

(B) by adding at the end the following:

“(2) LEVERAGING ALUMNI ENGAGEMENT.—In carrying out the purposes and programs under this section, the Secretary shall encourage ongoing engagement with fellowship recipients who have completed training under the program to provide advice regarding, and participate in, new or ongoing agricultural development projects, with a priority for capacity-building projects.”.

7 USC 3295.

**SEC. 3307. INTERNATIONAL AGRICULTURAL EDUCATION FELLOWSHIP PROGRAM.**

(a) FELLOWSHIP PROGRAM ESTABLISHMENT.—The Secretary shall establish a fellowship program to be known as the International Agricultural Education Fellowship Program to provide fellowships to citizens of the United States to assist eligible countries in developing school-based agricultural education and youth extension programs.

(b) ELIGIBLE COUNTRY DESCRIBED.—For purposes of this section, an eligible country is a developing country, as determined by the Secretary using a gross national income per capita test selected by the Secretary.

(c) PURPOSE OF FELLOWSHIPS.—The goals of providing a fellowship under this section are to—

(1) develop globally minded United States agriculturists with experience living abroad;

(2) focus on meeting the food and fiber needs of the domestic population of eligible countries; and

(3) strengthen and enhance trade linkages between eligible countries and the United States agricultural industry.

(d) ELIGIBLE CANDIDATES.—The Secretary may provide fellowships to citizens of the United States who—

(1) hold at least a bachelors degree in an agricultural related field of study; and

(2) have an understanding of United States school-based agricultural education and youth extension programs, as determined by the Secretary.

(e) CANDIDATE IDENTIFICATION.—The Secretary shall consult with the National FFA Organization, the National 4–H Council, and other entities as the Secretary determines are appropriate to identify candidates for fellowships.

(f) PROGRAM IMPLEMENTATION.—The Secretary shall provide for the management, coordination, evaluation, and monitoring of the Fellowship Program, except that the Secretary may contract out the management of the fellowship program to an outside organization with experience in implementing fellowship programs focused on building capacity for school-based agricultural education and youth extension programs in developing countries.

(g) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated \$5,000,000 to carry out this section for each of fiscal years 2019 through 2023.

(2) DURATION.—Any funds made available under this subsection shall remain available until expended.

**SEC. 3308. INTERNATIONAL FOOD SECURITY TECHNICAL ASSISTANCE.**

The Food, Agriculture, Conservation, and Trade Act of 1990 is amended by inserting after section 1543A (7 U.S.C. 5679) the following:

**“SEC. 1543B. INTERNATIONAL FOOD SECURITY TECHNICAL ASSISTANCE.** 7 USC 1736dd.

“(a) DEFINITION OF INTERNATIONAL FOOD SECURITY.—In this section, the term ‘international food security’ means access by any person at any time to food and nutrition that is sufficient for a healthy and productive life.

“(b) COLLECTION OF INFORMATION.—The Secretary of Agriculture (referred to in this section as the ‘Secretary’) shall compile information from appropriate mission areas of the Department of Agriculture (including the Food, Nutrition, and Consumer Services mission area) relating to the improvement of international food security.

“(c) PUBLIC AVAILABILITY.—To benefit programs for the improvement of international food security, the Secretary shall organize the information described in subsection (b) and make the information available in a format suitable for—

“(1) public education; and

“(2) use by—

“(A) a Federal, State, or local agency;

“(B) an agency or instrumentality of the government of a foreign country;

“(C) a domestic or international organization, including a domestic or international nongovernmental organization; and

“(D) an intergovernmental organization.

“(d) TECHNICAL ASSISTANCE.—On request by an entity described in subsection (c)(2), the Secretary may provide technical assistance to the entity to implement a program for the improvement of international food security.

“(e) PROGRAM PRIORITY.—In carrying out this section, the Secretary shall give priority to programs relating to the development of food and nutrition safety net systems with a focus on food insecure countries.

“(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$1,000,000 for each of fiscal years 2019 through 2023.”.

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**SEC. 3309. MCGOVERN-DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION PROGRAM.**

Section 3107 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736o–1) is amended—

(1) in subsection (a)—

(A) by striking “that is” and inserting the following: “that—  
“(1) is”;

(B) in paragraph (1) (as so designated), by striking the period at the end and inserting “; or”; and

(C) by adding at the end the following:

“(2)(A) is produced in and procured from—

“(i) a developing country that is a recipient country;  
or

“(ii) a developing country in the same region as a recipient country; and

“(B) at a minimum, meets each nutritional, quality, and labeling standard of the recipient country, as determined by the Secretary.”;

(2) in subsection (c)(2)(A)—

(A) in clause (v)(IV), by striking “and” at the end;

(B) by redesignating clause (vi) as clause (vii); and

(C) by inserting after clause (v) the following:

“(vi) the costs associated with transporting the commodities described in subsection (a)(2) from a developing country described in subparagraph (A)(ii) of that subsection to any designated point of entry within the recipient country; and”;

(3) in subsection (f)(1)—

(A) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

(B) by inserting after subparagraph (D) the following:

“(E) ensure to the maximum extent practicable that assistance—

“(i) is provided under this section in a timely manner; and

“(ii) is available when needed throughout the applicable school year;”;

(4) in subsection (1)—

(A) in paragraph (2), by striking “2018” and inserting “2023”; and

(B) by adding at the end the following:

“(4) PURCHASE OF COMMODITIES.—Of the funds made available to carry out this section, not more than 10 percent shall be used to purchase agricultural commodities described in subsection (a)(2).”.

**SEC. 3310. GLOBAL CROP DIVERSITY TRUST.**

Section 3202 of the Food, Conservation, and Energy Act of 2008 (22 U.S.C. 2220a note; Public Law 110–246) is amended—

(1) by amending subsection (b) to read as follows:

“(b) UNITED STATES CONTRIBUTION LIMIT.—

“(1) IN GENERAL.—The aggregate contributions of funds of the Federal Government provided to the Trust shall not exceed—

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“(A) for the period of fiscal years 2014 through 2018, 25 percent of the total amount of funds contributed to the Trust from all sources; and

“(B) subject to paragraph (2), effective beginning with fiscal year 2019, 33 percent of the total amount of funds contributed to the Trust from all sources.

“(2) ANNUAL LIMITATION.—The contributions of funds of the Federal Government provided to the Trust shall not exceed \$5,500,000 for each of fiscal years 2019 through 2023.”; and

(2) in subsection (c), by striking “2018” and inserting “2023”.

**SEC. 3311. LOCAL AND REGIONAL FOOD AID PROCUREMENT PROJECTS.**

Section 3206(e)(1) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 1726c(e)(1)) is amended—

(1) by inserting “to the Secretary” after “appropriated”; and

(2) by striking “2014 through 2018” and inserting “2019 through 2023”.

**SEC. 3312. FOREIGN TRADE MISSIONS.**

7 USC 5608.

(a) TRIBAL REPRESENTATION ON TRADE MISSIONS.—

(1) IN GENERAL.—The Secretary, in consultation with the Tribal Advisory Committee established under subsection (b)(2) of section 309 of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6921(b)(2)) (as added by section 12303(2)) (referred to in this section as the “Advisory Committee”), shall seek—

(A) to support the greater inclusion of Tribal agricultural and food products in Federal trade-related activities; and

(B) to increase the collaboration between Federal trade promotion efforts and other Federal trade-related activities in support of the greater inclusion sought under subparagraph (A).

(2) INTERDEPARTMENTAL COORDINATION.—In carrying out activities to increase the collaboration described in paragraph (1)(B), the Secretary shall coordinate with—

(A) the Secretary of Commerce;

(B) the Secretary of State;

(C) the Secretary of the Interior; and

(D) the heads of any other relevant Federal agencies.

(b) REPORT; GOALS.—

(1) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit a report describing the efforts of the Department of Agriculture and other Federal agencies under this section to—

(A) the Advisory Committee;

(B) the Committee on Agriculture of the House of Representatives;

(C) the Committee on Energy and Commerce of the House of Representatives;

(D) the Committee on Agriculture, Nutrition, and Forestry of the Senate;

(E) the Committee on Commerce, Science, and Transportation of the Senate; and

(F) the Committee on Indian Affairs of the Senate.

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(2) GOALS.—Not later than 90 days after the date of enactment of this Act, the Secretary shall establish goals for measuring, in an objective and quantifiable format, the extent to which Indian Tribes and Tribal agricultural and food products are included in the trade-related activities of the Department of Agriculture.

## TITLE IV—NUTRITION

### Subtitle A—Supplemental Nutrition Assistance Program

#### SEC. 4001. REQUIREMENTS FOR ONLINE ACCEPTANCE OF BENEFITS.

(a) DEFINITION.—Section 3(o)(1) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(o)(1)) is amended by striking “or house-to-house trade route” and inserting “, house-to-house trade route, or online entity”.

(b) ACCEPTANCE OF BENEFITS.—Section 7(k) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(k)) is amended—

(1) by striking the heading and inserting “ACCEPTANCE OF PROGRAM BENEFITS THROUGH ONLINE TRANSACTIONS”,

(2) in paragraph (4) by striking subparagraph (C), and

(3) by striking paragraph (5).

#### SEC. 4002. RE-EVALUATION OF THRIFTY FOOD PLAN.

Section 3(u) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(u)) is amended by inserting after the 1st sentence the following:

“By 2022 and at 5-year intervals thereafter, the Secretary shall re-evaluate and publish the market baskets of the thrifty food plan based on current food prices, food composition data, consumption patterns, and dietary guidance.”

#### SEC. 4003. FOOD DISTRIBUTION PROGRAM ON INDIAN RESERVATIONS.

(a) IN GENERAL.—Section 4(b) of the Food and Nutrition Act of 2008 (7 U.S.C. 2013(b)) is amended—

(1) by striking paragraph (4) and inserting the following:

“(4) ADMINISTRATIVE COSTS.—

“(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall pay not less than 80 percent of administrative costs and distribution costs on Indian reservations as the Secretary determines necessary for effective administration of such distribution by a State agency or tribal organization.

“(B) WAIVER.—The Secretary shall waive up to 100 percent of the non-Federal share of the costs described in subparagraph (A) if the Secretary determines that—

“(i) the tribal organization is financially unable to provide a greater non-Federal share of the costs; or

“(ii) providing a greater non-Federal share of the costs would be a substantial burden for the tribal organization.

“(C) LIMITATION.—The Secretary may not reduce any benefits or services under the food distribution program on Indian reservations under this subsection to any tribal



organization that is granted a waiver under subparagraph (B).

“(D) TRIBAL CONTRIBUTION.—The Secretary may allow a tribal organization to use funds provided to the tribal organization through a Federal agency or other Federal benefit to satisfy all or part of the non-Federal share of the costs described in subparagraph (A) if that use is otherwise consistent with the purpose of the funds.”,

(2) in paragraph (6)—

(A) in the heading by striking “LOCALLY-GROWN” and inserting “LOCALLY- AND REGIONALLY-GROWN”,

(B) in subparagraph (A) by striking “locally-grown” and inserting “locally- and regionally-grown”,

(C) in subparagraph (C)—

(i) in the heading by striking “LOCALLY GROWN” and inserting “LOCALLY- AND REGIONALLY-GROWN”, and

(ii) by striking “locally-grown” and inserting “locally- and regionally-grown”,

(D) by amending subparagraph (D) to read as follows:

“(D) PURCHASE OF FOODS.—In carrying out this paragraph, the Secretary shall purchase or offer to purchase those traditional foods that may be procured cost-effectively.”,

(E) by striking subparagraph (E), and

(F) in subparagraph (F)—

(i) by striking “(F)” and inserting “(E)”, and

(ii) by striking “2018” and inserting “2023”, and

(3) by adding at the end the following:

“(7) AVAILABILITY OF FUNDS.—

“(A) IN GENERAL.—Funds made available for a fiscal year to carry out this subsection shall remain available for obligation for a period of 2 fiscal years.

“(B) ADMINISTRATIVE COSTS.—Funds made available for a fiscal year to carry out paragraph (4) shall remain available for obligation by the State agency or tribal organization for a period of 2 fiscal years.”.

(b) DEMONSTRATION PROJECT FOR TRIBAL ORGANIZATIONS.—

7 USC 2013 note.

(1) DEFINITIONS.—In this subsection:

(A) DEMONSTRATION PROJECT.—The term “demonstration project” means the demonstration project established under paragraph (2).

(B) FOOD DISTRIBUTION PROGRAM.—The term “food distribution program” means the food distribution program on Indian reservations carried out under section 4(b) of the Food and Nutrition Act of 2008 (7 U.S.C. 2013(b)).

(C) INDIAN RESERVATION.—The term “Indian reservation” has the meaning given the term “reservation” in section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012).

(D) INDIAN TRIBE.—The term “Indian tribe” has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).

(E) SELF-DETERMINATION CONTRACT.—The term “self-determination contract” has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).

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(F) TRIBAL ORGANIZATION.—The term “tribal organization” has the meaning given the term in section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012).

(2) ESTABLISHMENT.—Subject to the availability of appropriations, the Secretary shall establish a demonstration project under which 1 or more tribal organizations may enter into self-determination contracts to purchase agricultural commodities under the food distribution program for the Indian reservation of that tribal organization.

(3) ELIGIBILITY.—

(A) CONSULTATION.—The Secretary shall consult with the Secretary of the Interior and Indian tribes to determine the process and criteria under which a tribal organization may participate in the demonstration project.

(B) CRITERIA.—The Secretary shall select for participation in the demonstration project tribal organizations that—

(i) are successfully administering the food distribution program of the tribal organization under section 4(b)(2)(B) of the Food and Nutrition Act of 2008 (7 U.S.C. 2013(b)(2)(B)),

(ii) have the capacity to purchase agricultural commodities in accordance with paragraph (4) for the food distribution program of the tribal organization, and

(iii) meet any other criteria determined by the Secretary, in consultation with the Secretary of the Interior and Indian tribes.

(4) PROCUREMENT OF AGRICULTURAL COMMODITIES.—Any agricultural commodities purchased by a tribal organization under the demonstration project shall—

(A) be domestically produced,

(B) supplant, not supplement, the type of agricultural commodities in existing food packages for that tribal organization,

(C) be of similar or higher nutritional value as the type of agricultural commodities that would be supplanted in the existing food package for that tribal organization, and

(D) meet any other criteria determined by the Secretary.

(5) REPORT.—Not later than 1 year after the date on which funds are appropriated under paragraph (6) and annually thereafter, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the activities carried out under the demonstration project during the preceding year.

(6) FUNDING.—

(A) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this subsection \$5,000,000, to remain available until expended.

(B) APPROPRIATIONS IN ADVANCE.—Only funds appropriated under subparagraph (A) in advance specifically to carry out this subsection shall be available to carry out this subsection.

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(c) CONFORMING AMENDMENT.—Section 3(v) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(v)) is amended by striking “the Indian Self-Determination Act (25 U.S.C. 450b(b))” and inserting “section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304)”.

**SEC. 4004. SIMPLIFIED HOMELESS HOUSING COSTS.**

Section 5(e)(6)(D) of the Food and Nutrition Act of 2008 (7 U.S.C. 2014(e)(6)(D)) is amended—

(1) by redesignating clause (ii) as clause (iii), and

(2) by striking clause (i) and inserting the following:

“(i) ALTERNATIVE DEDUCTION.—The State agency shall allow a deduction of \$143 a month for households—

“(I) in which all members are homeless individuals;

“(II) that are not receiving free shelter throughout the month; and

“(III) that do not opt to claim an excess shelter expense deduction under subparagraph (A).

“(ii) ADJUSTMENT.—For fiscal year 2019 and each subsequent fiscal year the amount of the homeless shelter deduction specified in clause (i) shall be adjusted to reflect changes for the 12-month period ending the preceding November 30 in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor.”.

**SEC. 4005. EMPLOYMENT AND TRAINING FOR SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.**

(a) EMPLOYMENT AND TRAINING PROGRAMS THAT MEET STATE AND LOCAL WORKFORCE NEEDS.—Section 6(d)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(d)(4)) is amended—

(1) in subparagraph (A)—

(A) in clause (i)—

(i) by inserting “, in consultation with the State workforce development board, or, if the State demonstrates that consultation with private employers or employer organizations would be more effective or efficient, in consultation with private employers or employer organizations,” after “designed by the State agency”, and

(ii) by striking “that will increase their ability to obtain regular employment.” and inserting the following: “that will—

“(I) increase the ability of the household members to obtain regular employment; and

“(II) meet State or local workforce needs.”,

and

(B) in clause (ii) by inserting “and implemented to meet the purposes of clause (i)” after “under this paragraph”,

(2) in subparagraph (B)—

(A) in the matter preceding clause (i), by inserting “case management services such as comprehensive intake

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assessments, individualized service plans, progress monitoring, or coordination with service providers and” after “contains”,

(B) in clause (iv) by redesignating subclauses (I) and (II) as items (aa) and (bb), respectively, and indenting appropriately,

(C) by redesignating clauses (i) through (vii) and clause (viii) as subclauses (I) through (VII) and subclause (IX), respectively, and indenting appropriately,

(D) by striking subclause (I), as so redesignated, and inserting the following:

“(I) Supervised job search programs that occur at State-approved locations at which the activities of participants shall be directly supervised and the timing and activities of participants tracked in accordance with guidelines issued by the State.”,

(E) in subclause (II), as so redesignated, by striking “jobs skills assessments, job finding clubs, training in techniques for” and inserting “employability assessments, training in techniques to increase”,

(F) in subclause (IV), as so redesignated, in the first sentence, by inserting “, including subsidized employment and apprenticeships” before the period at the end,

(G) in subclause (VII), as so redesignated, by inserting “not less than 30 days but” after “period of”,

(H) by inserting after subclause (VII), as so redesignated, the following:

“(VIII) Programs and activities under clause (iv) of section 16(h)(1)(F) that the Secretary determines, based on results from the independent evaluations conducted under clause (vii)(I) of such section, have the most demonstrable impact on the ability of participants to find and retain employment that leads to increased household income and reduced reliance on public assistance.”,

(I) in the matter preceding subclause (I), as so redesignated—

(i) by striking “this subparagraph” and inserting “this clause”, and

(ii) by striking “(B) For purposes of this Act, an” and inserting the following:

“(B) DEFINITIONS.—In this Act:

“(i) EMPLOYMENT AND TRAINING PROGRAM.—The term”, and

(J) by adding at the end the following:

“(ii) WORKFORCE PARTNERSHIP.—

“(I) IN GENERAL.—The term ‘workforce partnership’ means a program that—

“(aa) is operated by—

“(AA) a private employer, an organization representing private employers, or a nonprofit organization providing services relating to workforce development; or

“(BB) an entity identified as an eligible provider of training services under section 122(d) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3152(d));

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“(bb) the Secretary certifies, or the State agency certifies to the Secretary—

“(AA) subject to subparagraph (N)(ii), would assist participants who are members of households participating in the supplemental nutrition assistance program in gaining high-quality, work-relevant skills, training, work, or experience that will increase the ability of the participants to obtain regular employment;

“(BB) subject to subparagraph (N)(ii), would provide participants with not less than 20 hours per week of training, work, or experience under subitem (AA);

“(CC) would not use any funds authorized to be appropriated by this Act;

“(DD) would provide sufficient information, on request by the State agency, for the State agency to determine that participants who are members of households participating in the supplemental nutrition assistance program are fulfilling any applicable work requirement under this subsection or subsection (o);

“(EE) would be willing to serve as a reference for participants who are members of households participating in the supplemental nutrition assistance program for future employment or work-related programs; and

“(FF) meets any other criteria established by the Secretary, on the condition that the Secretary shall not establish any additional criteria that would impose significant paperwork burdens on the workforce partnership; and

“(cc) is in compliance with the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.), if applicable.

“(II) INCLUSION.—The term ‘workforce partnership’ includes a multistate program.”,

(3) in subparagraph (E)—

(A) in the second sentence, by striking “Such requirements” and inserting the following:

“(ii) VARIATION.—The requirements under clause (i),

(B) by striking “(E) Each State” and inserting the following:

“(E) REQUIREMENTS FOR PARTICIPATION FOR CERTAIN INDIVIDUALS.—

“(i) IN GENERAL.—Each State”, and

(C) by adding at the end the following:

“(iii) APPLICATION TO WORKFORCE PARTNERSHIPS.—To the extent that a State agency requires an individual to participate in an employment and training program, the State agency shall consider an individual participating in a workforce partnership to be in

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compliance with the employment and training requirements.”,

(4) in subparagraph (H), by striking “(B)(v)” and inserting “(B)(i)(V)”, and

(5) by adding at the end the following:

“(N) WORKFORCE PARTNERSHIPS.—

“(i) CERTIFICATION.—In certifying that a program meets the requirements of subitems (AA) and (BB) of subparagraph (B)(ii)(I)(bb) to be certified as a workforce partnership, the Secretary or the State agency shall require that the program submit to the Secretary or State agency sufficient information that describes—

“(I) the services and activities of the program that would provide participants with not less than 20 hours per week of training, work, or experience under those subitems; and

“(II) how the program would provide services and activities described in subclause (I) that would directly enhance the employability or job readiness of the participant.

“(ii) SUPPLEMENT, NOT SUPPLANT.—A State agency may use a workforce partnership to supplement, not to supplant, the employment and training program of the State agency.

“(iii) PARTICIPATION.—A State agency—

“(I) shall—

“(aa) maintain a list of workforce partnerships certified under subparagraph (B)(ii)(I)(bb); and

“(bb) not less frequently than at certification and recertification, provide to a household member subject to work requirements under subsection (d)(1) or subsection (o), electronically or by other means, the list described in item (aa); but

“(II) may not require any member of a household participating in the supplemental nutrition assistance program to participate in a workforce partnership.

“(iv) EFFECT.—

“(I) IN GENERAL.—A workforce partnership shall not replace the employment or training of an individual not participating in the workforce partnership.

“(II) SELECTION.—Nothing in this subsection or subsection (o) affects the criteria or screening process for selecting participants by a workforce partnership.

“(v) LIMITATION ON REPORTING REQUIREMENTS.—

In carrying out this subparagraph, the Secretary and each applicable State agency shall limit the reporting requirements of a workforce partnership to—

“(I) on notification that an individual is receiving supplemental nutrition assistance program benefits, notifying the applicable State



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agency that the individual is participating in the workforce partnership;

“(II) identifying participants who have completed or are no longer participating in the workforce partnership;

“(III) identifying changes to the workforce partnership that result in the workforce partnership no longer meeting the certification requirements of the Secretary or the State agency under subparagraph (B)(i)(I)(bb); and

“(IV) providing sufficient information, on request by the State agency, for the State agency to verify that a participant is fulfilling any applicable work requirements under this subsection or subsection (o).

“(O) REFERRAL OF CERTAIN INDIVIDUALS.—

“(i) IN GENERAL.—In accordance with such regulations as may be issued by the Secretary, with respect to any individual who is not eligible for an exemption under paragraph (2) and who is determined by the operator of an employment and training program component to be ill-suited to participate in that employment and training program component, the State agency shall—

“(I) refer the individual to an appropriate employment and training program component;

“(II) refer the individual to an appropriate workforce partnership, if available;

“(III) reassess the physical and mental fitness of the individual under paragraph (1)(A); or

“(IV) to the maximum extent practicable, coordinate with other Federal, State, or local workforce or assistance programs to identify work opportunities or assistance for the individual.

“(ii) PROCESS.—In carrying out clause (i), the State agency shall ensure that an individual undergoing and complying with the process established under that clause shall not be found to have refused without good cause to participate in an employment and training program.”.

(b) WORK REQUIREMENTS.—Section 6(o) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(o)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B) by striking “and” at the end,

(B) in subparagraph (C) by striking “job search program or a job search training program.” and inserting “supervised job search program or job search training program;”, and

(C) by adding at the end the following:

“(D) a program of employment and training for veterans operated by the Department of Labor or the Department of Veterans Affairs, and approved by the Secretary; and

“(E) a workforce partnership under subsection (d)(4)(N).”,

(2) in paragraph (4)(A) by inserting “and with the support of the chief executive officer of the State” after “agency”, and

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(3) in paragraph (6)—

(A) in the heading by striking “15-PERCENT EXEMPTION” and inserting “EXEMPTIONS”,

(B) in subparagraph (B) by striking “(G)” and inserting “(H)”,

(C) in subparagraph (C) by striking “(E) and (G)” and inserting “(F) and (H)”,

(D) in subparagraph (D)—

(i) in the heading by striking “SUBSEQUENT FISCAL YEARS” and inserting “FISCAL YEARS 1999 THROUGH 2019”,

(ii) by striking “(E) through (G)” and inserting “(F) through (H)”, and

(iii) by striking “year,” and inserting “year through fiscal year 2019,”

(E) in subparagraph (E) by striking “or (D)” and inserting “, (D), or (E)”,

(F) by redesignating subparagraphs (E), (F), and (G) as subparagraphs (F), (G), and (H), respectively, and

(G) by inserting after subparagraph (D) the following:

“(E) SUBSEQUENT FISCAL YEARS.—Subject to subparagraphs (F) through (H), for fiscal year 2020 and each subsequent fiscal year, a State agency may provide a number of exemptions such that the average monthly number of exemptions in effect during the fiscal year does not exceed 12 percent of the number of covered individuals in the State, as estimated by the Secretary under subparagraph (C), adjusted by the Secretary to reflect changes in the State’s caseload and the Secretary’s estimate of changes in the proportion of members of households that receive supplemental nutrition assistance program benefits covered by waivers granted under paragraph (4).”.

(c) STATE PLANS.—Section 11 of the Food and Nutrition Act of 2008 (7 U.S.C. 2020) is amended—

(1) in subsection (e)(19) by inserting “the extent to which such programs will be carried out in coordination with the activities carried out under title I of the Workforce Innovation and Opportunity Act (29 U.S.C. 3111 et seq.),” before “and the basis,” and

(2) by adding at the end the following:

“(w) For households containing at least one adult, with no elderly or disabled members and with no earned income at their last certification or required report, a State agency shall, at the time of recertification, be required to advise members of the household not exempt under section 6(d)(2) regarding available employment and training services.”.

(d) FUNDING OF EMPLOYMENT AND TRAINING PROGRAMS.—Section 16(h) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(h)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A) by striking “\$90,000,000” and inserting “\$103,900,000”,

(B) in subparagraph (C)—

(i) in clause (i) by inserting “, subject to clauses (ii) through (v),” after “(B), the Secretary”, and

(ii) by adding at the end the following:

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“(iv) PRIORITY.—The Secretary shall reallocate funds under this subparagraph as follows:

“(I)(aa) Subject to items (bb) and (cc), not less than 50 percent shall be reallocated to State agencies requesting such funds to conduct employment and training programs and activities for which such State agencies had previously received funding under subparagraph (F)(viii) that the Secretary determines have the most demonstrable impact on the ability of participants to find and retain employment that leads to increased household income and reduced reliance on public assistance.

“(bb) The Secretary shall base the determination under item (aa) on—

“(AA) project results from the independent evaluations conducted under subparagraph (F)(vii)(I); or

“(BB) if the project results from the independent evaluations conducted under subparagraph (F)(vii)(I) are not yet available, the reports under subparagraph (F)(vii)(II) or other information relating to performance of the programs and activities funded under subparagraph (F)(viii).

“(cc) Employment and training activities funded under this subclause are not subject to subparagraph (F)(vii), but are subject to monitoring under paragraph (h)(5).

“(II) Not less than 30 percent shall be reallocated to State agencies requesting such funds to implement or continue employment and training programs and activities under section 6(d)(4)(B)(i) that the Secretary determines have the most demonstrable impact on the ability of participants to find and retain employment that leads to increased household income and reduced reliance on public assistance, including programs and activities that are targeted to—

“(aa) individuals 50 years of age or older;

“(bb) formerly incarcerated individuals;

“(cc) individuals participating in a substance abuse treatment program;

“(dd) homeless individuals;

“(ee) people with disabilities seeking to enter the workforce;

“(ff) other individuals with substantial barriers to employment; or

“(gg) households facing multi-generational poverty, to support employment and workforce participation through an integrated and family-focused approach in providing supportive services.

“(III) The Secretary shall reallocate any remaining funds available under this subparagraph, to State agencies requesting such funds to use for employment and training programs and

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activities that the Secretary determines have the most demonstrable impact on the ability of participants to find and retain employment that leads to increased household income and reduced reliance on public assistance under section 6(d)(4)(B)(i).

“(v) CONSIDERATION.—In reallocating funds under this subparagraph, a State agency that receives reallocated funds under clause (iv)(I) may also be considered for reallocated funding under clause (iv)(II).”, and (C) in subparagraph (D) by striking “\$50,000” and inserting “\$100,000”, and

(2) in paragraph (5)(B) by adding at the end the following:

“(v) STATE OPTION.—The State agency may report relevant data from a workforce partnership carried out under section 6(d)(4)(N) to demonstrate the number of program participants served by the workforce partnership.”

(e) EXPIRED AUTHORITY.—Section 17(b) of the Food and Nutrition Act of 2008 (7 U.S.C. 2026(b)) is amended—

(1) by striking paragraph (2), and

(2) by redesignating paragraph (3) as paragraph (2).

**SEC. 4006. IMPROVEMENTS TO ELECTRONIC BENEFIT TRANSFER SYSTEM.**

(a) EBT PORTABILITY.—Section 7(f)(5) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(f)(5)) is amended by adding at the end the following:

“(C) OPERATION OF INDIVIDUAL POINT OF SALE DEVICE BY FARMERS’ MARKETS AND DIRECT MARKETING FARMERS.—A farmers’ market or direct marketing farmer that is exempt under paragraph (2)(B)(i) shall be allowed to operate an individual electronic benefit transfer point of sale device at more than 1 location under the same supplemental nutrition assistance program authorization, if—

“(i) the farmers’ market or direct marketing farmer provides to the Secretary information on location and hours of operation at each location; and

“(ii)(I) the point of sale device used by the farmers’ market or direct marketing farmer is capable of providing location information of the device through the electronic benefit transfer system; or

“(II) if the Secretary determines that the technology is not available for a point of sale device to meet the requirement under subclause (I), the farmers’ market or direct marketing farmer provides to the Secretary any other information, as determined by the Secretary, necessary to ensure the integrity of transactions processed using the point of sale device.”

(b) MODERNIZATION OF ELECTRONIC BENEFIT TRANSFER REGULATIONS.—The 1st sentence of section 7(h)(2) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(h)(2)) is amended by inserting “and shall periodically review such regulations and modify such regulations to take into account evolving technology and comparable industry standards” before the period at the end.

(c) BENEFIT RECOVERY.—Section 7(h)(12) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(h)(12)) is amended—

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(1) in subparagraph (A) by inserting “, or due to the death of all members of the household” after “inactivity”, and

(2) by striking subparagraphs (B) and (C) and inserting the following:

“(B) BENEFIT STORAGE.—

“(i) IN GENERAL.—A State agency may store recovered electronic benefits off-line in accordance with clause (ii), if the household has not accessed the account after 3 months.

“(ii) NOTICE OF BENEFIT STORAGE.—A State agency shall—

“(I) send notice to a household the benefits of which are stored under clause (i); and

“(II) not later than 48 hours after request by the household, make the stored benefits available to the household.

“(C) BENEFIT EXPUNGING.—

“(i) IN GENERAL.—Subject to clause (ii), a State agency shall expunge benefits that have not been accessed by a household after a period of 9 months, or upon verification that all members of the household are deceased.

“(ii) NOTICE OF BENEFIT EXPUNGING.—Not later than 30 days before benefits are to be expunged under clause (i), a State agency shall—

“(I) provide sufficient notice to the household that benefits will be expunged due to inactivity, and the date upon which benefits will be expunged;

“(II) for benefits stored off-line in accordance with subparagraph (B), provide the household an opportunity to request that such benefits be restored to the household; and

“(III) not later than 48 hours after request by the household, make the benefits available to the household.”.

(d) PROHIBITED FEES.—Section 7 of the Food and Nutrition Act of 2008 (7 U.S.C. 2016) is amended—

(1) by amending subsection (h)(13) to read as follows:

“(13) FEES.—

“(A) INTERCHANGE FEES.—No interchange fees shall apply to electronic benefit transfer transactions under this subsection.

“(B) OTHER FEES.—Effective through fiscal year 2023, neither a State, nor any agent, contractor, or subcontractor of a State who facilitates the provision of supplemental nutrition assistance program benefits in such State may impose a fee for switching (as defined in subsection (j)(1)(H)) or routing such benefits.”, and

(2) by amending subsection (j)(1)(H) to read as follows:

“(H) SWITCHING.—The term ‘switching’ means the routing of an intrastate or interstate transaction that consists of transmitting the details of a transaction electronically recorded through the use of an electronic benefit transfer card in one State to the issuer of the card that may be in the same or different State.”.

(e) MOBILE TECHNOLOGIES.—Section 7(h)(14) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(h)(14)) is amended—

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(1) by amending subparagraph (A) to read as follows:

“(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall authorize the use of mobile technologies for the purpose of accessing supplemental nutrition assistance program benefits.”,

(2) in subparagraph (B)—

(A) by striking the heading and inserting “DEMONSTRATION PROJECTS ON ACCESS OF BENEFITS THROUGH MOBILE TECHNOLOGIES”,

(B) by amending clause (i) to read as follows:

“(i) DEMONSTRATION PROJECTS.—Before authorizing implementation of subparagraph (A) in all States, the Secretary shall approve not more than 5 demonstration project proposals submitted by State agencies that will pilot the use of mobile technologies for supplemental nutrition assistance program benefits access.”,

(C) in clause (ii)—

(i) in the heading by striking “DEMONSTRATION PROJECTS” and inserting “PROJECT REQUIREMENTS”,

(ii) by striking “retail food store” the first place it appears and inserting “State agency”,

(iii) by striking “includes”,

(iv) by striking subclauses (I), (II), (III), and (IV), and inserting the following:

“(I) provides recipient protections regarding privacy, ease of use, household access to benefits, and support similar to the protections provided under existing methods;

“(II) ensures that all recipients, including those without access to mobile payment technology and those who shop across State borders, have a means of benefit access;

“(III) requires retail food stores, unless exempt under section 7(f)(2)(B), to bear the costs of acquiring and arranging for the implementation of point-of-sale equipment and supplies for the redemption of benefits that are accessed through mobile technologies;

“(IV) requires that foods purchased with benefits issued under this section through mobile technologies are purchased at a price not higher than the price of the same food purchased by other methods used by the retail food store, as determined by the Secretary;

“(V) ensures adequate documentation for each authorized transaction, adequate security measures to deter fraud, and adequate access to retail food stores that accept benefits accessed through mobile technologies, as determined by the Secretary;

“(VI) provides for an evaluation of the demonstration project, including, but not limited to, an evaluation of household access to benefits;

“(VII) requires that the State demonstration projects are voluntary for all retail food stores



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and that all recipients are able to use benefits in non-participating retail food stores; and

“(VIII) meets other criteria as established by the Secretary.”,

(D) by amending clause (iii) to read as follows:

“(iv) DATE OF PROJECT APPROVAL.—The Secretary shall solicit and approve the qualifying demonstration projects required under subparagraph (B)(i) not later than January 1, 2021.”, and

(E) by inserting after clause (ii) the following:

“(iii) PRIORITY.—The Secretary may prioritize demonstration project proposals that would—

“(I) reduce fraud;

“(II) encourage positive nutritional outcomes;

and

“(III) meet such other criteria as determined by the Secretary.”, and

(3) in subparagraph (C)(i)—

(A) by striking “2017” and inserting “2022”, and

(B) by inserting “requires further study by way of an extended pilot period or” after “States” the 2d place it appears.

(f) APPROVAL OF RETAIL FOOD STORES.—Section 9 of the Food and Nutrition Act (7 U.S.C. 2018) is amended—

(1) in subsection (a)(1)—

(A) in the 4th sentence by striking “No retail food store” and inserting the following:

“(D) VISIT REQUIRED.—No retail food store”,

(B) in the 3d sentence by striking “Approval” and inserting the following:

“(C) CERTIFICATE.—Approval”,

(C) in the 2d sentence—

(i) by striking “food; and (D) the” and inserting the following: “food;

“(iv) any information, if available, about the ability of the anticipated or existing electronic benefit transfer equipment and service provider of the applicant to provide sufficient information through the electronic benefit transfer system to minimize the risk of fraudulent transactions; and

“(v) the”,

(ii) by striking “concern; (C) whether” and inserting the following: “concern;

“(iii) whether”,

(iii) by striking “applicant; (B) the” and inserting the following: “applicant;

“(ii) the”,

(iv) by striking “following: (A) the nature” and inserting the following: “following:

“(i) the nature”, and

(v) in the matter preceding clause (i), as so designated, by striking “In determining” and inserting the following:

“(B) FACTORS FOR CONSIDERATION.—In determining”,

and

(D) in the 1st sentence by striking “(a)(1) Regulations” and inserting the following:

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“(a) AUTHORIZATION TO ACCEPT AND REDEEM BENEFITS.—

“(1) APPLICATIONS.—

“(A) IN GENERAL.—Regulations”,

(2) in subsection (a) by adding at the end the following:

“(4) ELECTRONIC BENEFIT TRANSFER EQUIPMENT AND SERVICE PROVIDERS.—Before implementing clause (iv) of paragraph (1)(B), the Secretary shall issue guidance for retail food stores on how to select electronic benefit transfer equipment and service providers that are able to meet the requirements of that clause.”, and

(3) in the 1st sentence of subsection (c) by inserting “records relating to electronic benefit transfer equipment and related services, transaction and redemption data provided through the electronic benefit transfer system,” after “purchase invoices,”.

**SEC. 4007. REVIEW OF SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM OPERATIONS.**

Section 9 of the Food and Nutrition Act of 2008 (7 U.S.C. 2018) is amended by adding at the end the following:

“(i) REVIEW OF PROGRAM OPERATIONS.—

“(1) REVIEW BY THE SECRETARY.—The Secretary—

“(A) shall review a representative sample of currently authorized facilities referred to in section 3(k)(3) to determine whether benefits are properly used by or on behalf of participating households residing in such facilities and whether such facilities are using more than 1 source of Federal or State funding to meet the food needs of residents;

“(B) may carry out similar reviews for currently participating residential drug and alcohol treatment and rehabilitation programs, and group living arrangements for the blind and disabled, referred to in section 3(k);

“(C) shall gather information, and such facilities, programs, and arrangements shall be required to submit information deemed necessary for a full and thorough review; and

“(D) shall report the results of these reviews to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate not later than 18 months after the date of the enactment of the Agriculture Improvement Act of 2018, along with recommendations regarding—

“(i) any additional requirements or oversight that would be appropriate for such facilities, programs, and arrangements; and

“(ii) whether such facilities, programs, and arrangements should continue to be authorized to participate in the supplemental nutrition assistance program.

“(2) LIMITATION.—Nothing in this subsection shall authorize the Secretary to deny any application for continued authorization, any application for authorization, or any request to withdraw the authorization of any such facility, program, or arrangement based on a determination that residents of any such facility or entity are residents of an institution for

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a period of 18 months from the date of enactment of the Agriculture Improvement Act of 2018.”.

**SEC. 4008. RETAIL INCENTIVES.**

Section 9 of the Food and Nutrition Act of 2008 (7 U.S.C. 2018), as amended by section 4007, is amended by adding at the end the following:

“(j) INCENTIVES.—

“(1) DEFINITION OF ELIGIBLE INCENTIVE FOOD.—In this subsection, the term ‘eligible incentive food’ means—

“(A) a staple food that is identified for increased consumption, consistent with the most recent dietary recommendations; and

“(B) a fruit, vegetable, dairy, whole grain, or product thereof.

“(2) GUIDANCE.—

“(A) IN GENERAL.—The Secretary shall issue guidance to clarify the process by which an approved retail food store may seek a waiver to offer an incentive, which may be used only for the purchase of an eligible incentive food at the point of purchase, to a household purchasing food with benefits issued under this Act.

“(B) GUIDANCE.—The guidance under subparagraph (A) shall establish a process under which an approved retail food store, prior to carrying out an incentive program under this subsection, shall provide to the Secretary information describing the incentive program, including—

“(i) the types of incentives that will be offered;

“(ii) the types of foods that will be incentivized for purchase; and

“(iii) an explanation of how the incentive program intends to support meeting dietary intake goals.

“(3) NO LIMITATION ON BENEFITS.—A waiver granted under this subsection shall not be used to carry out any activity that limits the use of benefits under this Act or any other Federal nutrition law.

“(4) EFFECT.—Guidance provided under this subsection shall not affect any requirements under section 4405 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 7517), including the eligibility of a retail food store to participate in a project funded under such section.

“(5) REPORT.—The Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report describing the types of incentives approved under this subsection.”.

**SEC. 4009. REQUIRED ACTION ON DATA MATCH INFORMATION.**

Section 11(e) of the Food and Nutrition Act of 2008 (7 U.S.C. 2020(e)) is amended—

(1) in paragraph (24) by striking “and” after the semicolon,

(2) in paragraph (25) by striking the period at the end and inserting “; and”, and

(3) by adding at the end the following:

“(26) that for a household participating in the supplemental nutrition assistance program, the State agency shall pursue clarification and verification, if applicable, of information relating to the circumstances of the household received from

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data matches for the purpose of ensuring an accurate eligibility and benefit determination, only if the information—

“(A) appears to present significantly conflicting information from the information that was used by the State agency at the time of certification of the household;

“(B) is obtained from data matches carried out under subsection (q), (r), or (x); or

“(C)(i) is less than 60 days old relative to the current month of participation of the household; and

“(ii) if accurate, would have been required to be reported by the household based on the reporting requirements assigned to the household by the State agency under section 6(c).”.

**SEC. 4010. INCENTIVIZING TECHNOLOGY MODERNIZATION.**

Section 11(t) of the Food and Nutrition Act of 2008 (7 U.S.C. 2020(t)) is amended—

(1) by striking the heading and inserting “GRANTS FOR SIMPLIFIED APPLICATION AND ELIGIBILITY DETERMINATION SYSTEMS AND IMPROVED ACCESS TO BENEFITS”;

(2) in paragraph (1) by striking “implement—” and all that follows through the period at the end, and inserting “implement supplemental nutrition assistance program simplified application and eligibility determination systems.”; and

(3) in paragraph (2)—

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

“(B) establishing enhanced technological methods that improve the administrative infrastructure used in processing applications and determining eligibility; or”;

(B) by striking subparagraphs (C) and (D), and

(C) by redesignating subparagraph (E) as subparagraph (C).

**SEC. 4011. INTERSTATE DATA MATCHING TO PREVENT MULTIPLE ISSUANCES.**

Section 11 of the Food and Nutrition Act of 2008 (7 U.S.C. 2020), as amended by section 4005(c), is amended by adding at the end the following:

“(x) NATIONAL ACCURACY CLEARINGHOUSE.—

“(1) DEFINITION OF INDICATION OF MULTIPLE ISSUANCE.— In this subsection, the term ‘indication of multiple issuance’ means an indication, based on a computer match, that supplemental nutrition assistance program benefits are being issued to an individual by more than 1 State agency simultaneously.

“(2) ESTABLISHMENT.—

“(A) IN GENERAL.—The Secretary shall establish an interstate data system, to be known as the ‘National Accuracy Clearinghouse’, to prevent multiple issuances of supplemental nutrition assistance program benefits to an individual by more than 1 State agency simultaneously.

“(B) DATA MATCHING.—The Secretary shall require that State agencies make available to the National Accuracy Clearinghouse only such information as is necessary for the purpose described in subparagraph (A).

“(C) DATA PROTECTION.—The information made available by State agencies under subparagraph (B)—

“(i) shall be used only for the purpose described in subparagraph (A);

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“(ii) shall be exempt from the disclosure requirements of section 552(a) of title 5 of the United States Code pursuant to section 552(b)(3) of title 5 of the United States Code, to the extent such information is obtained or received by the Secretary;

“(iii) shall not be retained for longer than is necessary to accomplish the purpose in subparagraph (A);

“(iv) shall be used in a manner that protects the identity and location of a vulnerable individual (including a victim of domestic violence) that is an applicant for, or recipient of, supplemental nutrition assistance program benefits; and

“(v) shall meet security standards as determined by the Secretary.

“(3) ISSUANCE OF INTERIM FINAL REGULATIONS.—Not later than 18 months after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary shall promulgate regulations (which shall include interim final regulations) to carry out this subsection that—

“(A) incorporate best practices and lessons learned from the pilot program under section 4032(c) of the Agricultural Act of 2014 (7 U.S.C. 2036c(c));

“(B) require a State agency to take appropriate action, as determined by the Secretary, with respect to each indication of multiple issuance of supplemental nutrition assistance program benefits, or each indication that an individual receiving such benefits in 1 State has applied to receive such benefits in another State, while ensuring timely and fair service to applicants for, and recipients of, such benefits;

“(C) establish standards to limit and protect the information submitted through or retained by the National Accuracy Clearinghouse consistent with paragraph (2)(C);

“(D) establish safeguards to protect—

“(i) the information submitted through or retained by the National Accuracy Clearinghouse, including by limiting the period of time that information is retained to the period necessary to accomplish the purpose described in paragraph (2)(A); and

“(ii) the privacy of information that is submitted through or retained by the National Accuracy Clearinghouse consistent with subsection (e)(8); and

“(E) include such other rules and standards the Secretary determines appropriate to carry out this subsection.

“(4) TIMING.—The initial match and corresponding actions required by paragraph (3)(B) shall occur within 3 years after the date of the enactment of the Agriculture Improvement Act of 2018.”

**SEC. 4012. REQUIREMENT OF LIVE-PRODUCTION ENVIRONMENTS FOR CERTAIN PILOT PROJECTS RELATING TO COST SHARING FOR COMPUTERIZATION.**

Section 16(g)(1) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(g)(1)) is amended—

(1) in subparagraph (F) by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively, and indenting appropriately;

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(2) by redesignating subparagraphs (A) through (F) as clauses (i) through (vi), respectively, and indenting appropriately;

(3) in the matter preceding clause (i), as so redesignated—

(A) by striking “paragraphs (2) and (3)” and inserting “paragraph (2)”; and

(B) by striking “in the planning” and inserting the following: “in the—

“(A) planning”,

(4) in clause (v), as so redesignated, of subparagraph (A), as so designated, by striking “implementation, including through pilot projects in limited areas for major systems changes as determined under rules promulgated by the Secretary, data from which” and inserting the following: “implementation, including a requirement that—

“(I) such testing shall be accomplished through pilot projects in limited areas for major systems changes (as determined under rules promulgated by the Secretary);

“(II) each pilot project described in subclause (I) that is carried out before the implementation of a system shall be conducted in a live-production environment; and

“(III) the data resulting from each pilot project carried out under this clause”;

(5) in clause (vi), as so redesignated, by striking the period at end and inserting “; and”, and

(6) by adding at the end the following:

“(B) operation of 1 or more automatic data processing and information retrieval systems that the Secretary determines may continue to be operated in accordance with clauses (i) through (vii) of subparagraph (A).”.

#### SEC. 4013. QUALITY CONTROL IMPROVEMENTS.

(a) RECORDS.—Section 11(a)(3)(B) of the Food and Nutrition Act of 2008 (7 U.S.C. 2020(a)(3)(B)) is amended—

(1) by striking “Records described” and inserting “All records, and the entire information systems in which records are contained, that are covered”, and

(2) by amending clause (i) to read as follows:

“(i) be made available for inspection and audit by the Secretary, subject to data and security protocols agreed to by the State agency and Secretary”.

(b) QUALITY CONTROL SYSTEM.—Section 16(c)(1)(B) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(c)(1)(B)) is amended to read as follows:

“(B) QUALITY CONTROL SYSTEM INTEGRITY.—

“(i) IN GENERAL.—Not later than 180 days after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary shall issue interim final regulations that—

“(I) ensure that the quality control system established under this subsection produces valid statistical results;

“(II) provide for oversight of contracts entered into by a State agency for the purpose of improving payment accuracy;



“(III) ensure the accuracy of data collected under the quality control system established under this subsection; and

“(IV) for each fiscal year, to the maximum extent practicable, provide for the evaluation of the integrity of the quality control process of not fewer than 2 State agencies, selected in accordance with criteria determined by the Secretary.

“(ii) DEBARMENT.—In accordance with the non-procurement debarment procedures under part 417 of title 2, Code of Federal Regulations, or successor regulations, the Secretary shall debar any person that, in carrying out the quality control system established under this subsection, knowingly submits, or causes to be submitted, false information to the Secretary.”.

(c) REPORTING REQUIREMENTS.—The 1st sentence of section 16(c)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(c)(4)) is amended by inserting “, including providing access to applicable State records and the entire information systems in which the records are contained,” after “necessary”.

(d) STATE PERFORMANCE INDICATORS.—Section 16(d) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(d)) is amended—

(1) by striking the heading and inserting “STATE PERFORMANCE INDICATORS”,

(2) in paragraph (2)—

(A) in the heading by striking “AND THEREAFTER” and inserting “THROUGH 2017”,

(B) in subparagraph (A) by striking “and each fiscal year thereafter” and inserting “through fiscal year 2017”, and

(C) in subparagraph (B) by striking “and each fiscal year thereafter” and inserting “through fiscal year 2017”, and

(3) by adding at the end the following:

“(6) FISCAL YEAR 2018 AND FISCAL YEARS THEREAFTER.—

“(A) With respect to fiscal year 2018 and each fiscal year thereafter, the Secretary shall establish, by regulation, performance criteria relating to—

“(i) actions taken to correct errors, reduce rates of error, and improve eligibility determinations; and

“(ii) other indicators of effective administration determined by the Secretary.

“(B) The Secretary shall not award performance bonus payments to State agencies in fiscal year 2019 for fiscal year 2018 performance.”.

(e) COST SHARING FOR COMPUTERIZATION.—Section 16(g)(1)(A) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(g)(1)(A)), as amended by section 4012, is amended—

(1) in clause (v)(III) by striking “and”, and

(2) by adding at the end the following:

“(vii) would be accessible by the Secretary for inspection and audit under section 11(a)(3)(B); and”.

**SEC. 4014. EVALUATION OF CHILD SUPPORT ENFORCEMENT COOPERATION REQUIREMENTS.**

Section 17 of the Food and Nutrition Act of 2008 (7 U.S.C. 2026) is amended by adding at the end the following:

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“(m) EVALUATION OF CHILD SUPPORT ENFORCEMENT COOPERATION REQUIREMENTS.—

“(1) IN GENERAL.—The Secretary, in consultation with the Secretary of Health and Human Services, shall conduct an independent evaluation of a representative sample of States—

“(A) to assess the implementation and impact of the eligibility requirements described in subsections (l) through (n) of section 6 in States that have formerly implemented or continue to implement those requirements, and the feasibility of implementing those requirements in other States;

“(B) to assess the factors that contributed to the decision of States that formerly implemented the eligibility requirements described in each of subsections (l) through (n) of section 6 to cease such implementation;

“(C) to review alternatives to the eligibility requirements described in each of subsections (l) through (n) of section 6 that are used by other States to assist participants in the supplemental nutrition assistance program to make or receive child support payments and the effectiveness of those alternatives; and

“(D) to evaluate the costs and benefits to households and to State agencies, of requiring State agencies to implement each of the eligibility requirements described in subsections (l) through (n) of section 6.

“(2) EVALUATION.—The evaluation under paragraph (1) shall include, to the maximum extent practicable, an assessment of—

“(A) the manner in which applicable State agencies implement and enforce the eligibility requirements described in subparagraph (A) of such paragraph, including—

“(i) the procedures used by each State to determine cooperation, to sanction participants for failure to cooperate, and to determine good cause for noncooperation under each of subsections (l) through (n) of section 6; and

“(ii) the manner in which each State aligns the procedures for implementing those eligibility requirements with procedures for implementing other Federal programs that require cooperation with child support enforcement, including the program of block grants to States for temporary assistance for needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the Medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), and programs carried out under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9857 et seq.);

“(B) the Federal, State, and local costs associated with implementing those eligibility requirements, including costs incurred under this Act and by child support enforcement agencies for personnel, technology upgrades, and other costs;

“(C) the effect of those eligibility requirements on the establishment of new child support orders, the establishment of paternity, changes in child support payments to

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custodial households, and changes in arrears owed on child support orders;

“(D) with respect to the eligibility requirements under each of subsections (l) through (n) of section 6—

“(i) the number of individuals subject to those requirements;

“(ii) the number of individuals in each State who meet those requirements; and

“(iii) the number of individuals in each State who fail to meet those requirements;

“(E) the number of individuals in each State for whom good cause for noncooperation has been found under section 6(1)(2);

“(F) the impact of those eligibility requirements on the supplemental nutrition assistance program eligibility, benefit levels, food security, income, and economic stability of—

“(i) individuals subject to those requirements;

“(ii) the household members of those individuals, including children; and

“(iii) households with nontraditional family structures, including a household in which a grandparent is the primary caretaker of a grandchild of the grandparent.

“(3) STATE AGENCY COOPERATION.—Each State agency selected under paragraph (1) shall provide information to the Secretary necessary to conduct the evaluation under such paragraph.

“(4) REPORT.—Not later than 3 years after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the findings from the evaluation conducted under paragraph (1).”.

#### **SEC. 4015. LONGITUDINAL DATA FOR RESEARCH.**

(a) LONGITUDINAL DATA.—Section 17 of the Food and Nutrition Act of 2008 (7 U.S.C. 2026), as amended by section 4014, is amended by adding at the end the following:

“(n) LONGITUDINAL DATA FOR RESEARCH.—

“(1) IN GENERAL.—Subject to paragraphs (3) through (5), a State agency may, on approval by the Secretary, establish a longitudinal database that contains information about households and members of households that receive benefits under the supplemental nutrition assistance program in the State.

“(2) PURPOSE.—Each longitudinal database established under paragraph (1) shall be used solely to conduct research on participation in and the operation of the supplemental nutrition assistance program, including duration of participation in the program.

“(3) REQUIREMENTS FOR DATABASES.—Prior to the approval of State agencies to establish longitudinal databases under paragraph (1), the Secretary shall—

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“(A) identify features that shall be standard across States such as database format to facilitate use of longitudinal databases established under paragraph (1) for research purposes;

“(B) identify features of longitudinal databases established under paragraph (1) that may vary across States;

“(C) identify a procedure for States operating longitudinal databases under paragraph (1) to use a unique identifier to provide relevant information on household members who receive benefits under the supplemental nutrition assistance program for the purpose of comparing participation data in multiple participating States over time while protecting participant privacy;

“(D) establish the manner in which data security and privacy protections, as required by Federal law and consistent with other appropriate practices, shall be implemented and maintained;

“(E) provide direction to State agencies on the responsibilities of and funding arrangements for State agencies and any State contractors (including entities providing technical assistance) relating to the establishment and operation of a longitudinal database;

“(F) provide a description of the documentation that States shall submit to the Secretary prior to allowing researchers access to a longitudinal database;

“(G) consult with other Federal research agencies, including the Bureau of the Census;

“(H) consult with States that have already established databases used for purposes similar to the purposes outlined in this subsection; and

“(I) identify any other requirements determined appropriate by the Secretary.

“(4) INCLUDED DATA.—

“(A) IN GENERAL.—Subject to subparagraph (B), each longitudinal database established under paragraph (1)—

“(i) shall include monthly information about households and members of households that receive benefits under the supplemental nutrition assistance program in the participating State taken from existing information collected by the State agency including, if available,—

“(I) demographic characteristics;

“(II) income and financial resources (as described in section 5(g));

“(III) employment status;

“(IV) household circumstances, such as deductible expenses; and

“(V) the amount of the monthly allotment received under the supplemental nutrition assistance program; and

“(ii) may include information from other State data sources such as—

“(I) earnings and employment data from the State department of labor;

“(II) health insurance program data; or

“(III) data from participation in other programs administered by the State.

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“(B) DATA PROTECTION.—Any State that establishes a longitudinal database under paragraph (1) shall, in accordance with all applicable Federal and State privacy standards and requirements—

“(i) protect the privacy of information about each member of each household that receives benefits under the supplemental nutrition assistance program in such State by ensuring that no personally identifiable information (including social security number, home address, or contact information) is included in the longitudinal database; and

“(ii) make the data under this paragraph available to researchers and the Secretary.

“(5) APPROVAL.—The Secretary shall approve the establishment of longitudinal databases under paragraph (1) in States that—

“(A) meet the requirements for databases under paragraph (3) and (4)(B);

“(B) reflect a range of participant numbers, demographics, operational structures, and geographic regions; and

“(C) have the capacity to provide on a periodic and ongoing basis household and participant data derived from the eligibility system and other data sources of the State.

“(6) GRANTS.—

“(A) IN GENERAL.—In carrying out this subsection, the Secretary may provide grants to States that have been approved by the Secretary in accordance with paragraph (5) out of funds made available under paragraph (9).

“(B) METHOD OF AWARDING GRANTS.—Grants awarded under this paragraph shall be made in such amounts and under such terms and conditions as the Secretary determines necessary to carry out the purposes of this subsection.

“(7) REPORT.—

“(A) IN GENERAL.—Not later than 4 years after the effective date of this subsection, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the feasibility of expanding implementation of longitudinal databases to every State.

“(B) CONTENTS.—The report required under subparagraph (A) shall describe—

“(i) the cost of expanding implementation of longitudinal databases with consistent data to every State;

“(ii) the challenges and benefits of using State longitudinal databases with consistent data; and

“(iii) alternatives to expanding implementation of longitudinal databases with consistent data to every State that may achieve similar research outcomes and the advantages and disadvantages of those alternatives.

“(8) EFFECT.—Nothing in this subsection shall be construed to prevent or limit the ability of State agencies to establish

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or continue operating databases used for purposes similar to the purposes outlined in this subsection.

“(9) FUNDING.—Of the funds made available under section 18, the Secretary shall use to carry out this subsection—

“(A) \$20,000,000 for fiscal year 2019 to remain available through fiscal year 2021; and

“(B) \$5,000,000 for fiscal year 2022 and each fiscal year thereafter.”.

(b) CONFORMING AMENDMENT.—The 1st sentence of section 16(a) of the Food and Nutrition Act of 2008 is amended—

(1) by striking “and (8)” and inserting “(8)”; and

(2) by inserting “, and (9) establishing and operating a longitudinal database in accordance with section 17(n)” before “: *Provided*”.

**SEC. 4016. AUTHORIZATION OF APPROPRIATIONS.**

The 1st sentence of section 18(a)(1) of the Food and Nutrition Act of 2008 (7 U.S.C. 2027(a)(1)) is amended by striking “2018” and inserting “2023”.

**SEC. 4017. ASSISTANCE FOR COMMUNITY FOOD PROJECTS.**

Section 25(b)(2) of the Food and Nutrition Act of 2008 (7 U.S.C. 2034(b)(2)) is amended—

(1) in subparagraph (B) by striking “and” at the end,

(2) in subparagraph (C) by striking “fiscal year 2015 and each fiscal year thereafter.” and inserting “each of fiscal years 2015 through 2018; and”, and

(3) by adding at the end the following:

“(D) \$5,000,000 for fiscal year 2019 and each fiscal year thereafter.”.

**SEC. 4018. EMERGENCY FOOD ASSISTANCE PROGRAM.**

(a) STATE PLAN.—Section 202A(b) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7503(b)) is amended—

(1) in paragraph (3), by striking “and” after the semicolon;

(2) in paragraph (4), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

“(5) at the option of the State agency, describe a plan of operation for 1 or more projects in partnership with 1 or more emergency feeding organizations located in the State to harvest, process, package, or transport donated commodities received under section 203D(d); and

“(6) describe a plan, which may include the use of a State advisory board established under subsection (c), that provides emergency feeding organizations or eligible recipient agencies within the State an opportunity to provide input on the commodity preferences and needs of the emergency feeding organization or eligible recipient agency.”.

(b) STATE AND LOCAL SUPPLEMENTATION OF COMMODITIES.—Section 203D of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7507) is amended by adding at the end the following:

“(d) PROJECTS TO HARVEST, PROCESS, PACKAGE, OR TRANSPORT DONATED COMMODITIES.—

“(1) DEFINITION OF PROJECT.—In this subsection, the term ‘project’ means the harvesting, processing, packaging, or transportation of unharvested, unprocessed, or unpackaged commodities donated by agricultural producers, processors, or



distributors for use by emergency feeding organizations under subsection (a).

“(2) FEDERAL FUNDING FOR PROJECTS.—

“(A) IN GENERAL.—Subject to subparagraphs (B) and (C) and paragraph (3), using funds made available under paragraph (5), the Secretary may provide funding to States to pay for the costs of carrying out a project.

“(B) FEDERAL SHARE.—The Federal share of the cost of a project under subparagraph (A) shall not exceed 50 percent of the total cost of the project.

“(C) ALLOCATION.—

“(i) IN GENERAL.—Each fiscal year, the Secretary shall allocate the funds made available under subparagraph (A), based on a formula determined by the Secretary, to States that have submitted a State plan describing a plan of operation for a project under section 202A(b)(5).

“(ii) REALLOCATION.—If the Secretary determines that a State will not expend all of the funds allocated to the State for a fiscal year under clause (i), the Secretary shall reallocate the unexpended funds to other States that have submitted under section 202A(b)(5) a State plan describing a plan of operation for a project during that fiscal year or the subsequent fiscal year, as the Secretary determines appropriate.

“(iii) REPORTS.—Each State to which funds are allocated for a fiscal year under this subparagraph shall, on a regular basis, submit to the Secretary financial reports describing the use of the funds.

“(3) PROJECT PURPOSES.—A State may only use Federal funds received under paragraph (2) for a project the purposes of which are—

“(A) to reduce food waste at the agricultural production, processing, or distribution level through the donation of food;

“(B) to provide food to individuals in need; and

“(C) to build relationships between agricultural producers, processors, and distributors and emergency feeding organizations through the donation of food.

“(4) COOPERATIVE AGREEMENTS.—The Secretary may encourage a State agency that carries out a project using Federal funds received under paragraph (2) to enter into cooperative agreements with State agencies of other States under section 203B(d) to maximize the use of commodities donated under the project.

“(5) FUNDING.—Out of funds not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out this subsection \$4,000,000 for each of fiscal years 2019 through 2023, to remain available until the end of the subsequent fiscal year.”.

(c) FOOD WASTE.—Section 203D of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7507), as amended by subsection (b), is amended by adding at the end the following:

“(e) FOOD WASTE.—The Secretary shall issue guidance outlining best practices to minimize the food waste of the commodities donated under subsection (a).”.

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(d) EMERGENCY FOOD PROGRAM INFRASTRUCTURE GRANTS.—Section 209(d) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7511a(d)) is amended by striking “2018” and inserting “2023”.

(e) AVAILABILITY OF COMMODITIES FOR THE EMERGENCY FOOD ASSISTANCE PROGRAM.—Section 27(a) of the Food and Nutrition Act of 2008 (7 U.S.C. 2036(a)) is amended—

(1) in paragraph (1), by striking “2018” and inserting “2023”; and

(2) in paragraph (2)—

(A) in subparagraph (C), by striking “2018” and inserting “2023”;

(B) in subparagraph (D)—

(i) in the matter preceding clause (i), by striking “2018” and inserting “2023”;

(ii) in clause (iii), by striking “and” after the semicolon;

(iii) in clause (iv), by striking “and” after the semicolon;

(iv) by adding at the end the following:

“(v) for fiscal year 2019, \$23,000,000;

“(vi) for fiscal year 2020, \$35,000,000;

“(vii) for fiscal year 2021, \$35,000,000;

“(viii) for fiscal year 2022, \$35,000,000; and

“(ix) for fiscal year 2023, \$35,000,000; and”;

(C) in subparagraph (E)—

(i) by striking “2019” and inserting “2024”;

(ii) by striking “(D)(iv)” and inserting “(D)(ix)”;

(iii) by striking “June 30, 2017” and inserting

“June 30, 2023”.

#### SEC. 4019. NUTRITION EDUCATION.

Section 28(c) of the Food and Nutrition Act of 2008 (7 U.S.C. 2036a(c)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (B)—

(i) in the matter preceding clause (i), by striking “Except as provided in subparagraph (C), a” and inserting “A”;

(ii) in clause (ii) by striking “and” after the semicolon,

(iii) by redesignating clause (iii) as clause (iv), and

(iv) by inserting after clause (ii) the following:

“(iii) describe how the State agency shall use an electronic reporting system to—

“(I) measure and evaluate the projects; and

“(II) account for the allowable State agency administrative costs including for—

“(aa) salaries and benefits of State agency personnel;

“(bb) office supplies and equipment;

“(cc) travel costs;

“(dd) development and production of nutrition education materials;

“(ee) memberships, subscriptions, and professional activities;

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“(ff) lease or rental costs;

“(gg) maintenance and repair expenses;

“(hh) indirect costs; and

“(ii) cost of using publicly-owned building space; and”, and

(B) by striking subparagraph (C),

(2) in paragraph (3)(B) in the matter preceding clause (i), by inserting “, the Director of the National Institute of Food and Agriculture,” before “and outside stakeholders”,

(3) in paragraph (5) by inserting “the expanded food and nutrition education program or” before “other health promotion”, and

(4) by adding at the end the following:

“(6) INFORMATION CLEARINGHOUSE.—The Secretary shall establish an online clearinghouse that makes available to State agencies, local agencies, institutions of higher education, and community organizations best practices for planning, implementing, and evaluating nutrition education and obesity prevention services to ensure that projects carried out with funds received under this section are appropriate for the target population.

“(7) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to a State agency in developing and implementing a nutrition education State plan, including—

“(A) by identifying common challenges faced by entities described in paragraph (6) that participate in projects carried out with funds received under this section;

“(B) by coordinating efforts to address those common challenges;

“(C) by collecting and disseminating information on evidence-based practices relating to nutrition education and obesity prevention;

“(D) by facilitating communication between and among grantees and subgrantees of funds received under this section;

“(E) by assisting State agencies in creating or maintaining systems to compile program data; and

“(F) by performing or assisting with other activities, as determined by the Secretary.

“(8) ANNUAL STATE REPORT.—Each State agency that delivers nutrition education and obesity prevention services under this subsection shall submit to the Secretary an annual report, which shall be made publicly available by the Secretary, that includes—

“(A) the use of funds on the State agency’s program, including for each category of allowable State agency administrative costs identified in paragraph (2)(B)(iii)(II);

“(B) a description of each project carried out by that agency under this subsection, including, with respect to the project, the target population, interventions, educational materials used, key performance indicators used, and evaluations made;

“(C) a comprehensive analysis of the impacts and outcomes—

“(i) of the project, including with respect to the elements described in subparagraph (A); and

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“(ii) to the extent practicable, of completed multiyear projects; and  
 “(D) the status of any ongoing multiyear project.  
 “(9) ANNUAL FEDERAL REPORT.—The Administrator of the Food and Nutrition Service, in consultation with the Director of the National Institute of Food and Agriculture, shall annually submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that—  
 “(A) evaluates the level of coordination between—  
 “(i) the nutrition education and obesity prevention grant program under this section;  
 “(ii) the expanded food and nutrition education program under section 1425 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3175); and  
 “(iii) any other nutrition education program administered by the Department of Agriculture; and  
 “(B) includes the use of funds on such programs including State agency administrative costs reported by States under paragraph (8)(A).”.

**SEC. 4020. RETAIL FOOD STORE AND RECIPIENT TRAFFICKING.**

Section 29(c)(1) of the Food and Nutrition Act of 2008 (7 U.S.C. 2036b(c)(1)) is amended by striking “2018” and inserting “2023”.

**SEC. 4021. PUBLIC-PRIVATE PARTNERSHIPS.**

The Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.) is amended by adding at the end the following:

7 USC 2036d.

**“SEC. 30. PILOT PROJECTS TO ENCOURAGE THE USE OF PUBLIC-PRIVATE PARTNERSHIPS COMMITTED TO ADDRESSING FOOD INSECURITY.**

“(a) IN GENERAL.—The Secretary may, on application of eligible entities, approve not more than 10 pilot projects to support public-private partnerships that address food insecurity and poverty.

“(b) DEFINITIONS.—For purposes of this section—

“(1) the term ‘eligible entity’ means—

“(A) a nonprofit organization;

“(B) a community-based organization;

“(C) an institution of higher education; or

“(D) a private entity, as determined by the Secretary;

and

“(2) the term ‘public agency’ means a department, agency, other unit, or instrumentality of Federal, State, or local government.

“(c) PROJECT REQUIREMENTS.—Projects approved under this section shall—

“(1) be limited to 2 years in length; and

“(2) include a collaboration between one or more public agencies and one or more eligible entities that—

“(A) improves the effectiveness and impact of the supplemental nutrition assistance program;

“(B) develops food security solutions that are specific to the needs of a community or region; and

“(C) strengthens the capacity of communities to address food insecurity and poverty.

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“(d) EVALUATION.—The Secretary shall provide for an independent evaluation of pilot projects approved under this section that includes—

“(1) a summary of the activities conducted under the pilot projects;

“(2) an assessment of the effectiveness of the pilot projects; and

“(3) best practices regarding the use of public-private partnerships to improve the effectiveness of public benefit programs to address food insecurity and poverty.

“(e) FUNDING.—

“(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$5,000,000 to remain available until expended.

“(2) APPROPRIATION IN ADVANCE.—Only funds appropriated under paragraph (1) in advance specifically to carry out this section shall be available to carry out this section.”.

**SEC. 4022. TECHNICAL CORRECTIONS.**

The Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.) is amended—

(1) in section 3—

(A) in subsections (d) and (i) by striking “7(i)” and inserting “7(h)”, and

(B) in subsection (o)(1)(A) by striking “(r)(1)” and inserting “(q)(1)”,

(2) in section 5(a) by striking “and section” each place it appears and all that follows through “households” the respective next place it appears, and inserting “and section 3(m)(4), households”,

(3) in subsections (e)(1) and (f)(1)(A)(i) of section 8 by striking “3(n)(5)” and inserting “3(m)(5)”,

(4) in the 1st sentence of section 10—

(A) by striking “or the Federal Savings and Loan Insurance Corporation” each place it appears, and

(B) by striking “3(p)(4)” and inserting “3(o)(4)”,

(5) in section 11—

(A) in subsection (a)(2) by striking “3(t)(1)” and inserting “3(s)(1)”, and

(B) in subsection (d)—

(i) by striking “3(t)(1)” each place it appears and inserting “3(s)(1)”, and

(ii) by striking “3(t)(2)” each place it appears and inserting “3(s)(2)”, and

(C) in subsection (e)—

(i) in paragraph (17) by striking “3(t)(1)” inserting “3(s)(1)”, and

(ii) in paragraph (23) by striking “Simplified Supplemental Nutrition Assistance Program” and inserting “simplified supplemental nutrition assistance program”,

(6) in section 15(e) by striking “exchange” and all that follows through “anything”, and inserting “exchange for benefits, or anything”,

(7) in section 17(b)(1)(B)(iv)(III)(aa) by striking “3(n)” and inserting “3(m)”,

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(8) in section 25(a)(1)(B)(i)(I) by striking the 2d semicolon at the end, and

(9) in section 26(b) by striking “out” and all that follows through “(referred”, and inserting “out a simplified supplemental nutrition assistance program (referred”.

## **Subtitle B—Commodity Distribution Programs**

### **SEC. 4101. COMMODITY DISTRIBUTION PROGRAM.**

The 1st sentence of section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note) is amended by striking “2018” and inserting “2023”.

### **SEC. 4102. COMMODITY SUPPLEMENTAL FOOD PROGRAM.**

Section 5 of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note; Public Law 93–86) is amended—

(1) in subsection (a)—

(A) in paragraph (1) by striking “2018” and inserting “2023”, and

(B) in paragraph (2)(B), in the matter preceding clause (i), by striking “2018” and inserting “2023”,

(2) in subsection (d)(2), in the 1st sentence, by striking “2018” and inserting “2023”, and

(3) in subsection (g)—

(A) by striking “Except” and inserting the following: “(1) IN GENERAL.—Except”, and

(B) by adding at the end the following:

“(2) CERTIFICATION.—

“(A) DEFINITION OF CERTIFICATION PERIOD.—In this paragraph, the term ‘certification period’ means the period during which a participant in the commodity supplemental food program in a State may continue to receive benefits under the commodity supplemental food program without a formal review of the eligibility of the participant.

“(B) MINIMUM CERTIFICATION PERIOD.—Subject to subparagraphs (C) and (D), a State shall establish for the commodity supplemental food program of the State a certification period of—

“(i) not less than 1 year; but

“(ii) not more than 3 years.

“(C) TEMPORARY CERTIFICATION.—An eligible applicant for the commodity supplemental food program in a State may be provided with a temporary monthly certification to fill any caseload slot resulting from nonparticipation by certified participants.

“(D) APPROVALS.—A certification period of more than 1 year established by a State under subparagraph (B) shall be subject to the approval of the Secretary, who shall approve such a certification period on the condition that, with respect to each participant receiving benefits under the commodity supplemental food program of the State, the local agency in the State administering the commodity supplemental food program, on an annual basis during the certification period applicable to the participant—



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“(i) verifies the address and continued interest of the participant; and

“(ii) has sufficient reason to determine that the participant still meets the income eligibility standards under paragraph (1), which may include a determination that the participant has a fixed income.”.

**SEC. 4103. DISTRIBUTION OF SURPLUS COMMODITIES TO SPECIAL NUTRITION PROJECTS.**

Section 1114(a)(2)(A) of the Agriculture and Food Act of 1981 (7 U.S.C. 1431e(a)(2)(A)) is amended by striking “2018” and inserting “2023”.

**SEC. 4104. FOOD DONATION STANDARDS.**

Section 203D of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7507), as amended by section 4018(c), is amended by adding at the end the following:

“(f) FOOD DONATION STANDARDS.—

“(1) DEFINITIONS.—In this subsection:

“(A) APPARENTLY WHOLESOME FOOD.—The term ‘apparently wholesome food’ has the meaning given the term in section 22(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1791(b)).

“(B) INSTITUTION OF HIGHER EDUCATION.—The term ‘institution of higher education’ has the meaning given the term in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002).

“(C) QUALIFIED DIRECT DONOR.—The term ‘qualified direct donor’ means a retail food store, wholesaler, agricultural producer, restaurant, caterer, school food authority, or institution of higher education.

“(2) GUIDANCE.—

“(A) IN GENERAL.—Not later than 180 days after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary shall issue guidance to promote awareness of donations of apparently wholesome food protected under section 22(c) of the Child Nutrition Act of 1966 (42 U.S.C. 1791(c)) by qualified direct donors in compliance with applicable State and local health, food safety, and food handling laws (including regulations).

“(B) ISSUANCE.—The Secretary shall encourage State agencies and emergency feeding organizations to share the guidance issued under subparagraph (A) with qualified direct donors.”.

## Subtitle C—Miscellaneous

**SEC. 4201. SENIORS FARMERS’ MARKET NUTRITION PROGRAM.**

Section 4402(a) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3007(a)) is amended by striking “2018” and inserting “2023”.

**SEC. 4202. PURCHASE OF FRESH FRUITS AND VEGETABLES FOR DISTRIBUTION TO SCHOOLS AND SERVICE INSTITUTIONS.**

Section 10603(b) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 612c-4(b)) is amended by striking “2018” and inserting “2023”.

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**SEC. 4203. SERVICE OF TRADITIONAL FOODS IN PUBLIC FACILITIES.**

Section 4033(d)(1) of the Agricultural Act of 2014 (128 Stat. 818) is amended—

- (1) by striking “and” the 1st place it appears,
- (2) by inserting “, a State, a county or county equivalent, a local educational agency, and an entity or person authorized to facilitate the donation, storage, preparation, or serving of traditional food by the operator of a food service program” after “organization”, and
- (3) by inserting “storage, preparation, or” after “donation to or”.

**SEC. 4204. HEALTHY FOOD FINANCING INITIATIVE.**

Section 243 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6953) is amended—

- (1) in subsection (a), by inserting “and enterprises” after “retailers”;
- (2) in subsection (b)(3)(B)(iii), by inserting “and enterprises” after “retailers”; and
- (3) in subsection (c)(2)(B)(ii), by inserting “as applicable,” before “to accept”.

**SEC. 4205. THE GUS SCHUMACHER NUTRITION INCENTIVE PROGRAM.**

(a) AMENDMENT TO PROGRAM.—Section 4405 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 7517) is amended—

- (1) by striking the heading and inserting “**THE GUS SCHUMACHER NUTRITION INCENTIVE PROGRAM**”,

(2) in subsection (a)—

- (A) by amending paragraph (1) to read as follows:
 

“(1) ELIGIBLE ENTITY.—The term ‘eligible entity’ means a governmental agency or nonprofit organization.”,

(B) in paragraph (3) by striking “means the” and all that follows through the period at the end, and inserting the following:

“means—

“(A) the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.); and

“(B) the programs for nutrition assistance under section 19 of such Act (7 U.S.C. 2028).”, and

(C) by adding at the end the following:

“(4) HEALTHCARE PARTNER.—The term ‘healthcare partner’ means a healthcare provider, including—

“(A) a hospital;

“(B) a Federally-qualified health center (as defined in section 1905(l) of the Social Security Act (42 U.S.C. 1396d(l)));

“(C) a hospital or clinic operated by the Secretary of Veterans Affairs; or

“(D) a healthcare provider group.

“(5) MEMBER.—The term ‘member’ means, as determined by the applicable eligible entity or healthcare partner carrying out a project under subsection (c) in accordance with procedures established by the Secretary—

“(A) an individual eligible for—

“(i) benefits under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.); or

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“(ii) medical assistance under a State plan or a waiver of such a plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) and enrolled under such plan or waiver; and

“(B) a member of a low-income household that suffers from, or is at risk of developing, a diet-related health condition.”,

(3) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (B) by striking “The” and inserting “Except as provided in subparagraph (D)(iii), the”,

(ii) in subparagraph (C) by adding at the end the following:

“(iii) TRIBAL AGENCIES.—The Secretary may allow a Tribal agency to use funds provided to the Indian Tribe of the Tribal agency through a Federal agency (including the Indian Health Service) or other Federal benefit to satisfy all or part of the non-Federal share described in clause (i) if such use is otherwise consistent with the purpose of such funds.”,

(iii) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), and

(iv) by inserting after subparagraph (A) the following:

“(B) PARTNERS AND COLLABORATORS.—An eligible entity that receives a grant under this subsection may partner with, or make subgrants to, public, private, non-profit, or for-profit entities, including—

“(i) an emergency feeding organization;

“(ii) an agricultural cooperative;

“(iii) a producer network or association;

“(iv) a community health organization;

“(v) a public benefit corporation;

“(vi) an economic development corporation;

“(vii) a farmers’ market;

“(viii) a community-supported agriculture program;

“(ix) a buying club;

“(x) a retail food store participating in the supplemental nutrition assistance program;

“(xi) a State, local, or tribal agency;

“(xii) another eligible entity that receives a grant under this subsection; and

“(xiii) any other entity the Secretary designates.”,

(B) in paragraph (2)—

(i) by amending subparagraph (A) to read as follows:

“(A) IN GENERAL.—To receive a grant under this subsection, an eligible entity shall—

“(i) meet the application criteria set forth by the Secretary; and

“(ii) propose a project that, at a minimum—

“(I) has the support of the State agency administering the supplemental nutrition assistance program;

“(II) would increase the purchase of fruits and vegetables by low-income households participating

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in the supplemental nutrition assistance program by providing an incentive for the purchase of fruits and vegetables at the point of purchase to a household purchasing food with supplemental nutrition assistance program benefits;

“(III) except in the case of projects receiving \$100,000 or less over 1 year, would measure the purchase of fruits and vegetables by low-income households participating in the supplemental nutrition assistance program;

“(IV) ensures that the same terms and conditions apply to purchases made by individuals with benefits issued under the Food and Nutrition Act of 2008 and incentives provided for in this subsection as apply to purchases made by individuals who are not members of households receiving benefits, such as provided for in section 278.2(b) of title 7, Code of Federal Regulations (or a successor regulation);

“(V) has adequate plans to collect data for reporting and agrees to provide that information for the report described in subsection (e)(2)(B)(iii); and

“(VI) would share information with the Nutrition Incentive Program Training, Technical Assistance, Evaluation, and Information Centers established under subsection (e).”

(ii) in subparagraph (B)—

(I) by striking clause (v),

(II) by redesignating clause (vi) as clause (x), and

(III) by inserting after clause (iv) the following:

“(v) include a project design—

“(I) that provides incentives when fruits or vegetables are purchased using supplemental nutrition assistance program benefits; and

“(II) in which the incentives earned may be used only to purchase fruits or vegetables;

“(vi) have demonstrated the ability to provide services to underserved communities;

“(vii) include coordination with multiple stakeholders, such as farm organizations, nutrition education programs, cooperative extension services, public health departments, health providers, private and public health insurance agencies, cooperative grocers, grocery associations, and community-based and non-governmental organizations;

“(viii) offer supplemental services in high-need communities, including online ordering, transportation between home and store, and delivery services;

“(ix) include food retailers that are open—

“(I) for extended hours; and

“(II) most or all days of the year; or”, and

(C) by striking paragraphs (3) and (4),

(4) in subsection (c)—

(A) in paragraph (1) by striking “subsection (b) \$5,000,000 for each of fiscal years 2014 through 2018”

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and inserting “this section \$5,000,000 for each of fiscal years 2014 through 2023”, and

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking “subsection (b)” and inserting “this section”,

(ii) in subparagraph (B) by striking “and” at the end,

(iii) in subparagraph (C) by striking the period at the end and inserting a semicolon, and

(iv) by adding at the end the following:

“(C) \$45,000,000 for fiscal year 2019;

“(D) \$48,000,000 for fiscal year 2020;

“(E) \$48,000,000 for fiscal year 2021;

“(F) \$53,000,000 for fiscal year 2022; and

“(G) \$56,000,000 for fiscal year 2023 and each fiscal year thereafter.

“(3) USE OF FUNDS.—With respect to funds made available under this section for fiscal years 2019 through 2023—

“(A) for each fiscal year the Secretary shall use not more than 10 percent of such funds available for such fiscal year for the produce prescription program described in subsection (c);

“(B) for each fiscal year not more than 8 percent of such funds available for such fiscal year shall be used by the National Institute of Food and Agriculture and the Food and Nutrition Service for administration; and

“(C) the Secretary shall use for the Nutrition Incentive Program Training, Technical Assistance, Evaluation, and Information Centers established under subsection (e) not more than—

“(i) \$17,000,000 in the aggregate for fiscal years 2019 and 2020; and

“(ii) \$7,000,000 for each of the fiscal years 2021 through 2023.”,

(5) by redesignating subsection (c) as subsection (f), and

(6) by inserting after subsection (b) the following:

“(c) PRODUCE PRESCRIPTION PROGRAM.—

“(1) IN GENERAL.—The Secretary shall establish a grant program under which the Secretary shall award grants to eligible entities to conduct projects that demonstrate and evaluate the impact of the projects on—

“(A) the improvement of dietary health through increased consumption of fruits and vegetables;

“(B) the reduction of individual and household food insecurity; and

“(C) the reduction in healthcare use and associated costs.

“(2) HEALTHCARE PARTNERS.—In carrying out a project using a grant received under paragraph (1), an eligible entity shall partner with 1 or more healthcare partners.

“(3) GRANT APPLICATIONS.—

“(A) IN GENERAL.—To be eligible to receive a grant under paragraph (1), an eligible entity—

“(i) shall—

“(I) prescribe fresh fruits and vegetables to members;

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“(II) submit to the Secretary an application containing such information as the Secretary may require, including the information described in subparagraph (B); and

“(ii) may—

“(I) provide financial or non-financial incentives for members to purchase or procure fresh fruits and vegetables;

“(II) provide educational resources on nutrition to members; and

“(III) establish additional accessible locations for members to procure fresh fruits and vegetables.

“(B) APPLICATION.—An application shall—

“(i) identify the 1 or more healthcare partners with which the eligible entity is partnering under paragraph (2); and

“(ii) include—

“(I) a description of the methods by which an eligible entity shall—

“(aa) screen and verify eligibility for members for participation in a produce prescription project, in accordance with procedures established under subsection (a)(5);

“(bb) implement an effective produce prescription project, including the role of each healthcare partner in implementing the produce prescription project;

“(cc) evaluate members participating in a produce prescription project with respect to the matters described in subparagraphs (A) through (C) of paragraph (1);

“(dd) provide educational opportunities relating to nutrition to members participating in a produce prescription project; and

“(ee) inform members of the availability of the produce prescription project, including locations at which produce prescriptions may be redeemed;

“(II) a description of any additional nonprofit or emergency feeding organizations that shall be involved in the project and the role of each additional nonprofit or emergency feeding organization in implementing and evaluating an effective produce prescription project;

“(III) documentation of a partnership agreement with a relevant State Medicaid agency or other appropriate entity, as determined by the Secretary, to evaluate the effectiveness of the produce prescription project in reducing healthcare use and associated costs;

“(IV) adequate plans to collect data for reporting and agreement to provide that information for the report described in subsection (e)(2)(B)(iii); and

“(V) agreement to share information with the Nutrition Incentive Program Training, Technical



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Assistance, Evaluation, and Information Centers established under subsection (e).

“(4) COORDINATION.—In carrying out the grant program established under paragraph (1), the Secretary shall coordinate with the Secretary of Health and Human Services and the heads of other appropriate Federal agencies that carry out activities relating to healthcare partners.

“(5) PARTNERSHIPS.—

“(A) IN GENERAL.—In carrying out the grant program under paragraph (1), the Secretary may enter into 1 or more memoranda of understanding with a Federal agency, a State, or a private entity to ensure the effective implementation and evaluation of each project.

“(B) MEMORANDUM OF UNDERSTANDING.—A memorandum of understanding entered into under subparagraph (A) shall include—

“(i) a description of a plan to provide educational opportunities relating to nutrition to members participating in produce prescription projects;

“(ii) a description of the role of the Federal agency, State, or private entity, as applicable, in implementing and evaluating an effective produce prescription project; and

“(iii) documentation of a partnership agreement with a relevant State Medicaid agency or other appropriate entity, as determined by the Secretary.

“(d) APPLICABILITY.—

“(1) IN GENERAL.—The value of any benefit provided to a participant in any activity funded under subsections (b) or (c) shall be treated as supplemental nutrition benefits under section 8(b) of the Food and Nutrition Act of 2008 (7 U.S.C. 2017(b)).

“(2) PROHIBITION ON COLLECTION OF SALES TAXES.—Each State shall ensure that no State or local tax is collected on a purchase of food with assistance provided under subsections (b) and (c).

“(3) NO LIMITATION ON BENEFITS.—Grants made available under subsections (b) and (c) shall not be used to carry out any project that limits the use of benefits under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.) or any other Federal nutrition law.

“(4) HOUSEHOLD ALLOTMENT.—Assistance provided under subsections (b) and (c) to households receiving benefits under the supplemental nutrition assistance program shall not—

“(A) be considered part of the supplemental nutrition assistance program benefits of the household; or

“(B) be used in the collection or disposition of claims under section 13 of the Food and Nutrition Act of 2008 (7 U.S.C. 2022).

“(e) NUTRITION INCENTIVE PROGRAM TRAINING, TECHNICAL ASSISTANCE, EVALUATION, AND INFORMATION CENTERS.—

“(1) IN GENERAL.—The Secretary shall—

“(A) establish 1 or more Nutrition Incentive Program Training, Technical Assistance, Evaluation, and Information Centers, in consultation with the Director of the National Institute of Food and Agriculture; and

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“(B) to the extent practicable, consult on the design and scope of such Centers with grocers, farmers, health professionals, researchers, incentive program managers, and employees of the Department of Agriculture with direct experience with implementation of existing incentive programs or projects.

“(2) ESTABLISHMENT.—The Centers shall be capable of providing services related to grants under subsections (b) and (c), including—

“(A) offering incentive program training and technical assistance to applicants and grantees to the extent practicable, including—

“(i) collecting and providing information on best practices that may include communications, signage, record-keeping, incentive instruments, development and integration of point of sale systems, and reporting;

“(ii) disseminating information and assisting with collaboration among grantee projects, applicable State agencies, and nutrition education programs;

“(iii) facilitating communication between grantees and the Department of Agriculture and applicable State agencies; and

“(iv) providing support for the development of best practices for produce prescription projects and the sharing of information among eligible entities and healthcare providers that participate in a produce prescription project under subsection (c); and

“(v) other services identified by the Secretary; and

“(B) creating a system to collect and compile core data sets from eligible entities that—

“(i) uses standard metrics with consideration of outcome measures for existing projects;

“(ii) includes to the extent practicable grocers, farmers, health professionals, researchers, incentive program managers, and employees of the Department of Agriculture with direct experience with implementation of existing incentive programs in the design of the instrument through which data will be collected and the mechanism for reporting;

“(iii) compiles project data from grantees, and beginning in fiscal year 2020 generates an annual report to Congress on grant outcomes, including—

“(I) the results of the project; and

“(II) the amount of grant funds used for the project; and

“(iv) creates and maintains a publicly accessible online site that makes annual reports and incentive program information available in an anonymized format that protects confidential, personal, or other sensitive data.

“(3) COOPERATIVE AGREEMENT.—

“(A) IN GENERAL.—To carry out paragraph (1), the Secretary may, on a competitive basis, enter into 1 or more cooperative agreements with 1 or more organizations with expertise in developing outcome-based reporting, at

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least 1 of which has expertise in the food insecurity nutrition incentive program and at least 1 of which has expertise in produce prescription projects.

“(B) INCLUSION.—The organizations referred to in subparagraph (A) may include—

- “(i) nongovernmental organizations;
- “(ii) State cooperative extension services;
- “(iii) regional food system centers;
- “(iv) Federal, State, or Tribal agencies;
- “(v) institutions of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a))); or
- “(vi) other appropriate entities as determined by the Secretary.”

(b) CONFORMING AMENDMENT.—The table of contents of the Food, Conservation, and Energy Act of 2008 (Public Law 113–188) is amended by striking the item relating to section 4405 and inserting the following:

“Sec. 4405. The Gus Schumacher nutrition incentive program.”

**SEC. 4206. MICRO-GRANTS FOR FOOD SECURITY.**

7 USC 7518.

(a) PURPOSE.—The purpose of this section is to increase the quantity and quality of locally grown food through small-scale gardening, herding, and livestock operations in food insecure communities in areas of the United States that have significant levels of food insecurity and import a significant quantity of food.

(b) DEFINITIONS.—In this section:

(1) ELIGIBLE ENTITY.—The term “eligible entity” means an entity that—

(A) is—

- (i) an individual;
- (ii) an Indian tribe or tribal organization, as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304);
- (iii) a nonprofit organization engaged in increasing food security, as determined by the Secretary, including—

- (I) a religious organization;
- (II) a food bank; or
- (III) a food pantry;

(iv) a federally funded educational facility, including—

- (I) a Head Start program or an Early Head Start program carried out under the Head Start Act (42 U.S.C. 9831 et seq.);
- (II) a public elementary school or public secondary school;
- (III) a public institution of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001));

(IV) a Tribal College or University (as defined in section 316(b) of the Higher Education Act of 1965 (20 U.S.C. 1059c(b))); or

(V) a job training program; or

(v) a local or Tribal government that may not levy local taxes under State or Federal law; and

(B) is located in an eligible State.

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- (2) **ELIGIBLE STATE.**—The term “eligible State” means—
- (A) the State of Alaska;
  - (B) the State of Hawaii;
  - (C) American Samoa;
  - (D) the Commonwealth of the Northern Mariana Islands;
  - (E) the Commonwealth of Puerto Rico;
  - (F) the Federated States of Micronesia;
  - (G) Guam;
  - (H) the Republic of the Marshall Islands;
  - (I) the Republic of Palau; and
  - (J) the United States Virgin Islands.

(c) **ESTABLISHMENT.**—The Secretary shall distribute funds to the agricultural department or agency of each eligible State for the competitive distribution of subgrants to eligible entities to increase the quantity and quality of locally grown food in food insecure communities, including through small-scale gardening, herding, and livestock operations.

(d) **DISTRIBUTION OF FUNDS.**—

(1) **IN GENERAL.**—Of the amount made available under subsection (g), the Secretary shall distribute—

- (A) 40 percent to the State of Alaska;
- (B) 40 percent to the State of Hawaii; and
- (C) 2.5 percent to each eligible State described in any of subparagraphs (C) through (J) of subsection (b)(2).

(2) **CARRYOVER OF FUNDS.**—Funds distributed under paragraph (1) shall remain available until expended.

(3) **ADMINISTRATIVE FUNDS.**—An eligible State that receives funds under paragraph (1) may use not more than 3 percent of those funds—

- (A) to administer the competition for providing subgrants to eligible entities in that eligible State;
- (B) to provide oversight of the subgrant recipients in that eligible State; and
- (C) to collect data and submit a report to the Secretary under subsection (f)(2).

(e) **SUBGRANTS TO ELIGIBLE ENTITIES.**—

(1) **AMOUNT OF SUBGRANTS.**—

(A) **IN GENERAL.**—The amount of a subgrant to an eligible entity under this section shall be—

- (i) in the case of an eligible entity that is an individual, not greater than \$5,000 per year; and
- (ii) in the case of an eligible entity described in any of clauses (ii) through (v) of subsection (b)(1)(A), not greater than \$10,000 per year.

(B) **MATCHING REQUIREMENT.**—As a condition of receiving a subgrant under this section, an eligible entity shall provide funds equal to 10 percent of the amount received by the eligible entity under the subgrant, to be derived from non-Federal sources. A State may waive the matching requirement for an individual who otherwise meets the requirements to receive a subgrant by the eligible State.

(C) **PROJECT PERIOD.**—Funds received by an eligible entity that is awarded a subgrant under this section shall remain available for expenditure not later than 3 years after the date the funds are received.

(2) PRIORITY.—In carrying out the competitive distribution of subgrants under subsection (c), an eligible State may give priority to an eligible entity that—

(A) has not previously received a subgrant under this section; or

(B) is located in a community or region in that eligible State with the highest degree of food insecurity, as determined by the agricultural department or agency of the eligible State.

(3) PROJECTS.—An eligible State may provide subgrants to 2 or more eligible entities to carry out the same project.

(4) USE OF SUBGRANT FUNDS BY ELIGIBLE ENTITIES.—An eligible entity that receives a subgrant under this section shall use the funds to engage in activities that will increase the quantity and quality of locally grown food for food insecure individuals, families, neighborhoods, and communities, including by—

(A) purchasing gardening tools or equipment, soil, soil amendments, seeds, plants, animals, canning equipment, refrigeration, or other items necessary to grow and store food;

(B) purchasing or building composting units;

(C) purchasing or building towers designed to grow leafy green vegetables;

(D) expanding an area under cultivation or engaging in other activities necessary to be eligible to receive funding under the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) for a high tunnel;

(E) engaging in an activity that extends the growing season;

(F) starting or expanding hydroponic and aeroponic farming of any scale;

(G) building, buying, erecting, or repairing fencing for livestock, poultry, or reindeer;

(H) purchasing and equipping a slaughter and processing facility approved by the Secretary;

(I) traveling to participate in agricultural education provided by—

(i) a State cooperative extension service;

(ii) a land-grant college or university (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103));

(iii) a Tribal College or University (as defined in section 316(b) of the Higher Education Act of 1965 (20 U.S.C. 1059c(b)));

(iv) an Alaska Native-serving institution or a Native Hawaiian-serving institution (as such terms are defined in section 317(b) of the Higher Education Act of 1965 (20 U.S.C. 1059d(b))); or

(v) a Federal or State agency;

(J) paying for shipping of purchased items relating to growing or raising food for local consumption or purchase;

(K) creating or expanding avenues for—

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(i) the sale of food commodities, specialty crops, and meats that are grown by the eligible entity for sale in the local community; or

(ii) increasing the availability of fresh, locally grown, and nutritious food; and

(L) engaging in other activities relating to increasing food security (including subsistence), as determined by the Secretary.

(5) **ELIGIBILITY FOR OTHER FINANCIAL ASSISTANCE.**—An eligible entity shall not be ineligible to receive financial assistance under another program administered by the Secretary as a result of receiving a subgrant under this section.

(f) **REPORTING REQUIREMENT.**—

(1) **SUBGRANT RECIPIENTS.**—As a condition of receiving a subgrant under this section, an eligible entity shall agree to submit to the eligible State in which the eligible entity is located a report—

(A) not later than 60 days after the end of the project funded by the subgrant; and

(B) that describes the use of the subgrants by eligible entities, the quantity of food grown through small-scale gardening, herding, and livestock operations, and the number of food insecure individuals fed as a result of the subgrant.

(2) **REPORT TO THE SECRETARY.**—Not later than 120 days after the date on which an eligible State receives a report from each eligible entity in that State under paragraph (1), the eligible State shall submit to the Secretary a report that describes, in the aggregate, the information and data contained in the reports received from those eligible entities.

(g) **FUNDING.**—

(1) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to the Secretary to carry out this section \$10,000,000 for fiscal year 2019 and each fiscal year thereafter, to remain available until expended.

(2) **APPROPRIATIONS IN ADVANCE.**—Only funds appropriated under paragraph (1) in advance specifically to carry out this section shall be available to carry out this section.

42 USC 1760  
note.

**SEC. 4207. BUY AMERICAN REQUIREMENTS.**

(a) **ENFORCEMENT.**—Not later than 180 days after the date of the enactment of this Act, the Secretary of Agriculture shall—

(1) enforce full compliance with the requirements of section 12(n) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1760(n)) for purchases of agricultural commodities, including fish, meats, vegetables, and fruits, and the products thereof, and

(2) ensure that States and school food authorities fully understand their responsibilities under such Act.

(b) **REQUIREMENT.**—The products of the agricultural commodities described in subsection (a)(1) shall be processed in the United States and substantially contain—

(1) meats, vegetables, fruits, and other agricultural commodities produced in—

(A) a State,

(B) the District of Columbia,

(C) the Commonwealth of Puerto Rico, or



- (D) any territory or possession of the United States,  
or  
(2) fish harvested—  
    (A) within the Exclusive Economic Zone of the United States, as described in Presidential Proclamation 5030 (48 Fed. Reg. 10605; March 10, 1983), or  
    (B) by a United States flagged vessel.
- (c) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the actions the Secretary has taken, and plans to take, to comply with this section.

**SEC. 4208. HEALTHY FLUID MILK INCENTIVES PROJECTS.**

7 USC 2026a  
note.

(a) DEFINITION OF FLUID MILK.—In this section the term “fluid milk” means all varieties of pasteurized cow’s milk that—

- (1) is without flavoring or sweeteners,  
(2) is consistent with the most recent dietary recommendations,  
(3) is packaged in liquid form, and  
(4) contains vitamins A and D at levels consistent with the Food and Drug Administration, State, and local standards for fluid milk.

(b) PROJECTS.—The Secretary of Agriculture shall carry out, under such terms and conditions as the Secretary considers to be appropriate, healthy fluid milk incentive projects to develop and test methods to increase the purchase and consumption of fluid milk by members of households that receive supplemental nutrition assistance program benefits by providing an incentive for the purchase of fluid milk at the point of purchase to members of households purchasing food with supplemental nutrition assistance program benefits.

(c) GRANTS OR COOPERATIVE AGREEMENTS.—

(1) IN GENERAL.—To carry out this section, the Secretary, on a competitive basis, shall enter into cooperative agreements with, or provide grants to, governmental entities or nonprofit organizations for projects that meet the purpose and selection criteria specified in this subsection.

(2) APPLICATION.—To be eligible to enter into a cooperative agreement or receive a grant under this subsection, a government entity or nonprofit organization shall submit to the Secretary an application containing such information as the Secretary may require.

(3) SELECTION CRITERIA.—Projects proposed in applications shall be evaluated against publicly disseminated criteria that shall incorporate a scientifically based strategy that is designed to improve diet quality and nutritional outcomes through the increased purchase of fluid milk by members of households that participate in the supplemental nutrition assistance program.

(4) USE OF FUNDS.—Funds made available to carry out this section shall not be used for any project that limits the use of benefits provided under the Food and Nutrition Act of 2008.

(d) EVALUATION AND REPORTING.—

(1) EVALUATION.—

(A) INDEPENDENT EVALUATION.—

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(i) **IN GENERAL.**—The Secretary shall provide for an independent evaluation of projects selected under this section that measures, to the maximum extent practicable, the impact on health and nutrition.

(ii) **REQUIREMENT.**—The independent evaluation under this subparagraph shall use rigorous methodologies, particularly random assignment or other methods that are capable of producing scientifically valid information regarding which activities are effective.

(B) **COSTS.**—The Secretary may use funds not to exceed 7 percent of the funding provided to carry out this section to pay costs associated with evaluating the outcomes of the healthy fluid milk incentive projects.

(2) **REPORTING.**—Not later than December 31 of 2020, and biennially thereafter, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that includes a description of—

(A) the status of each healthy fluid milk incentives project, and

(B) the results of any completed evaluation that—

(i) include, to the maximum extent practicable, the impact of the healthy fluid milk incentive projects on health and nutrition outcomes among households participating in such projects, and

(ii) have not been submitted in a previous report under this paragraph.

(3) **PUBLIC DISSEMINATION.**—In addition to the reporting requirements under paragraph (2), evaluation results shall be shared publicly to promote wide use of successful strategies.

(e) **FUNDING.**—

(1) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated \$20,000,000 to carry out and evaluate the outcomes of projects under this section, to remain available until expended.

(2) **APPROPRIATIONS IN ADVANCE.**—Only funds appropriated under paragraph (1) in advance specifically to carry out this section shall be available to carry out this section.

## TITLE V—CREDIT

### Subtitle A—Farm Ownership Loans

#### SEC. 5101. MODIFICATION OF THE 3-YEAR EXPERIENCE ELIGIBILITY REQUIREMENT FOR FARM OWNERSHIP LOANS.

Section 302(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922(b)) is amended by adding at the end the following:

“(4) **WAIVER AUTHORITY.**—In the case of a qualified beginning farmer or rancher, the Secretary may—

“(A) reduce the 3-year requirement in paragraph (1) to 1 or 2 years, if the farmer or rancher has—

“(i) not less than 16 credit hours of post-secondary education in a field related to agriculture;

“(ii) successfully completed a farm management curriculum offered by a cooperative extension service,

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a community college, an adult vocational agriculture program, a nonprofit organization, or a land-grant college or university;

“(iii) at least 1 year of experience as hired farm labor with substantial management responsibilities;

“(iv) successfully completed a farm mentorship, apprenticeship, or internship program with an emphasis on management requirements and day-to-day farm management decisions;

“(v) significant business management experience;

“(vi) been honorably discharged from the armed forces of the United States;

“(vii) successfully repaid a youth loan made under section 311(b); or

“(viii) an established relationship with an individual who has experience in farming or ranching, or is a retired farmer or rancher, and is participating as a counselor in a Service Corps of Retired Executives program authorized under section 8(b)(1)(B) of the Small Business Act (15 U.S.C. 637(b)(1)(B)), or with a local farm or ranch operator or organization, approved by the Secretary, that is committed to mentoring the farmer or rancher; or

“(B) waive the 3-year requirement in paragraph (1) if the farmer or rancher meets the requirements of clauses (iii) and (viii) of subparagraph (A).”.

**SEC. 5102. CONSERVATION LOAN AND LOAN GUARANTEE PROGRAM.**

Section 304(h) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1924(h)) is amended by striking “2018” and inserting “2023”.

**SEC. 5103. LIMITATIONS ON AMOUNT OF FARM OWNERSHIP LOANS.**

Section 305 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1925) is amended—

(1) in subsection (a)(2)—

(A) by striking “\$300,000” and inserting “\$600,000”;

(B) by striking “\$700,000” and inserting “\$1,750,000”;

and

(C) by striking “2000” and inserting “2019”; and

(2) in subsection (c)—

(A) in paragraph (1), by striking “August” and inserting “July”; and

(B) in paragraph (2), by striking “ending on August 31, 1996” and inserting “that immediately precedes the 12-month period described in paragraph (1)”.

**SEC. 5104. RELENDING PROGRAM TO RESOLVE OWNERSHIP AND SUCCESSION ON FARMLAND.**

Subtitle A of title III of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922 et seq.) is amended by adding at the end the following:

**“SEC. 310I. RELENDING PROGRAM TO RESOLVE OWNERSHIP AND SUCCESSION ON FARMLAND.**

7 USC 1936c.

“(a) IN GENERAL.—The Secretary may make loans to eligible entities described in subsection (b) so that the eligible entities

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may relend the funds to individuals and entities for the purposes described in subsection (c).

“(b) ELIGIBLE ENTITIES.—Entities eligible for loans described in subsection (a) are cooperatives, credit unions, and nonprofit organizations with—

“(1) certification under section 1805.201 of title 12, Code of Federal Regulations (or successor regulations), to operate as a lender;

“(2) experience assisting socially disadvantaged farmers and ranchers (as defined in subsection (a) of section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279)) or limited resource or new and beginning farmers and ranchers, rural businesses, cooperatives, or credit unions, including experience in making and servicing agricultural and commercial loans; and

“(3) the ability to provide adequate assurance of the repayment of a loan.

“(c) ELIGIBLE PURPOSES.—The proceeds from loans made by the Secretary pursuant to subsection (a) shall be re-lent by eligible entities for projects that assist heirs with undivided ownership interests to resolve ownership and succession on farmland that has multiple owners.

“(d) PREFERENCE.—In making loans under subsection (a), the Secretary shall give preference to eligible entities—

“(1) with not less than 10 years of experience serving socially disadvantaged farmers and ranchers; and

“(2) in States that have adopted a statute consisting of an enactment or adoption of the Uniform Partition of Heirs Property Act, as approved and recommended for enactment in all States by the National Conference of Commissioners on Uniform State Laws in 2010, that relend to owners of heirs property (as defined in that Act).

“(e) LOAN TERMS AND CONDITIONS.—The following terms and conditions shall apply to loans made under this section:

“(1) The interest rate at which intermediaries may borrow funds under this section shall be determined by the Secretary.

“(2) The rates, terms, and payment structure for borrowers to which intermediaries lend shall be—

“(A) determined by the intermediary in an amount sufficient to cover the cost of operating and sustaining the revolving loan fund; and

“(B) clearly and publicly disclosed to qualified ultimate borrowers.

“(3) Borrowers to which intermediaries lend shall be—

“(A) required to complete a succession plan as a condition of the loan; and

“(B) be offered the opportunity to borrow sufficient funds to cover costs associated with the succession plan under subparagraph (A) and other associated legal and closing costs.

“(f) REPORT.—Not later than 1 year after the date of enactment of this section, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the operation and outcomes of the program under this section, with recommendations on how to strengthen the program.

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“(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$10,000,000 for each of fiscal years 2019 through 2023.”.

## Subtitle B—Operating Loans

### SEC. 5201. LIMITATIONS ON AMOUNT OF OPERATING LOANS.

Section 313 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1943) is amended—

(1) in subsection (a)(1)—

(A) by striking “\$300,000” and inserting “\$400,000”;

(B) by striking “\$700,000” and inserting “\$1,750,000”;

and

(C) by striking “2000” and inserting “2019”; and

(2) in subsection (b)—

(A) in paragraph (1), by striking “August” and inserting “July”; and

(B) in paragraph (2), by striking “ending on August 31, 1996” and inserting “that immediately precedes the 12-month period described in paragraph (1)”.

### SEC. 5202. MICROLOANS.

Section 313(c)(2) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1943(c)(2)) is amended by striking “title” and inserting “subsection”.

### SEC. 5203. COOPERATIVE LENDING PILOT PROJECTS.

Section 313(c)(4)(A) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1943(c)(4)(A)) is amended by striking “2018” and inserting “2023”.

## Subtitle C—Administrative Provisions

### SEC. 5301. BEGINNING FARMER AND RANCHER INDIVIDUAL DEVELOPMENT ACCOUNTS PILOT PROGRAM.

Section 333B(h) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1983b(h)) is amended by striking “2018” and inserting “2023”.

### SEC. 5302. LOAN AUTHORIZATION LEVELS.

Section 346(b)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1994(b)(1)) is amended—

(1) in the matter preceding subparagraph (A), by striking “\$4,226,000,000 for each of fiscal years 2008 through 2018” and inserting “\$10,000,000,000 for each of fiscal years 2019 through 2023”; and

(2) by striking subparagraphs (A) and (B) and inserting the following:

“(A) \$3,000,000,000 shall be for direct loans, of which—

“(i) \$1,500,000,000 shall be for farm ownership loans under subtitle A; and

“(ii) \$1,500,000,000 shall be for operating loans under subtitle B; and

“(B) \$7,000,000,000 shall be for guaranteed loans, of which—

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“(i) \$3,500,000,000 shall be for farm ownership loans under subtitle A; and

“(ii) \$3,500,000,000 shall be for operating loans under subtitle B.”.

**SEC. 5303. LOAN FUND SET-ASIDES.**

Section 346(b)(2)(A)(ii)(III) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1994(b)(2)(A)(ii)(III)) is amended by striking “2018” and inserting “2023”.

**SEC. 5304. USE OF ADDITIONAL FUNDS FOR DIRECT OPERATING MICROLOANS UNDER CERTAIN CONDITIONS.**

Section 346(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1994(b)) is amended by adding at the end the following:

“(5) USE OF ADDITIONAL FUNDS FOR DIRECT OPERATING MICROLOANS UNDER CERTAIN CONDITIONS.—

“(A) IN GENERAL.—If the Secretary determines that the amount needed for a fiscal year for direct operating loans (including microloans) under subtitle B is greater than the aggregate principal amount authorized for that fiscal year by this Act, an appropriations Act, or any other provision of law, the Secretary shall make additional microloans under subtitle B using amounts made available under subparagraph (C).

“(B) NOTICE.—Not later than 15 days before the date on which the Secretary uses the authority under subparagraph (A), the Secretary shall submit a notice of the use of that authority to—

“(i) the Committee on Appropriations of the House of Representatives;

“(ii) the Committee on Appropriations of the Senate;

“(iii) the Committee on Agriculture of the House of Representatives; and

“(iv) the Committee on Agriculture, Nutrition, and Forestry of the Senate.

“(C) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph \$5,000,000 for each of fiscal years 2019 through 2023.”.

**SEC. 5305. EQUITABLE RELIEF.**

The Consolidated Farm and Rural Development Act is amended by inserting after section 365 (7 U.S.C. 2008) the following:

7 USC 2008a.

**“SEC. 366. EQUITABLE RELIEF.**

“(a) IN GENERAL.—Subject to subsection (b), the Secretary may provide a form of relief described in subsection (c) to any farmer or rancher who—

“(1) received a direct farm ownership, operating, or emergency loan under this title; and

“(2) the Secretary determines is not in compliance with the requirements of this title with respect to the loan.

“(b) LIMITATION.—The Secretary may only provide relief to a farmer or rancher under subsection (a) if the Secretary determines that the farmer or rancher—

“(1) acted in good faith; and



“(2) relied on an action of, or the advice of, the Secretary (including any authorized representative of the Secretary) to the detriment of the farming or ranching operation of the farmer or rancher.

“(c) FORMS OF RELIEF.—The Secretary may provide to a farmer or rancher under subsection (a) any of the following forms of relief:

“(1) The farmer or rancher may retain loans or other benefits received in association with the loan with respect to which the farmer or rancher was determined to be noncompliant under subsection (a)(2).

“(2) The farmer or rancher may receive such other equitable relief as the Secretary determines to be appropriate.

“(d) CONDITION.—As a condition of receiving relief under this section, the Secretary may require the farmer or rancher to take actions designed to remedy the noncompliance.

“(e) ADMINISTRATIVE APPEAL; JUDICIAL REVIEW.—A determination or action of the Secretary under this section—

“(1) shall be final; and

“(2) shall not be subject to administrative appeal or judicial review under chapter 7 of title 5, United States Code.”.

**SEC. 5306. SOCIALLY DISADVANTAGED FARMERS AND RANCHERS; QUALIFIED BEGINNING FARMERS AND RANCHERS.**

The Consolidated Farm and Rural Development Act is amended by inserting after section 366 (as added by section 5305) the following:

**“SEC. 367. SOCIALLY DISADVANTAGED FARMERS AND RANCHERS; QUALIFIED BEGINNING FARMERS AND RANCHERS.** 7 USC 2008b.

“In the case of a loan guaranteed by the Secretary under subtitle A or B to a socially disadvantaged farmer or rancher (as defined in section 355(e)) or a qualified beginning farmer or rancher, the Secretary may provide for a standard guarantee plan, which shall cover an amount equal to 95 percent of the outstanding principal of the loan.”.

**SEC. 5307. EMERGENCY LOAN ELIGIBILITY.**

Section 373(b)(2)(B) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008h(b)(2)(B)) is amended—

(1) by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively, and indenting appropriately;

(2) in the matter preceding subclause (I) (as so redesignated), by striking “The Secretary” and inserting the following:

“(i) IN GENERAL.—The Secretary”; and

(3) by adding at the end the following:

“(ii) RESTRUCTURED LOANS.—For purposes of clause (i), a borrower who was restructured with a write-down or restructuring under section 353 shall not be considered to have received debt forgiveness on a loan made or guaranteed under this title.”.

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## Subtitle D—Miscellaneous

### SEC. 5401. TECHNICAL CORRECTIONS TO THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT.

(a)(1) Section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a)) is amended in the second sentence by striking “and limited liability companies” and inserting “limited liability companies, and such other legal entities”.

7 USC 1961 note.

(2) The amendment made by this subsection shall take effect as if included in the enactment of section 5201(2)(C) of the Agricultural Act of 2014 (Public Law 113–79) in lieu of the amendment made by such section.

(b)(1) Section 331D(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981d(e)) is amended by inserting after “within 60 days after receipt of the notice required in this section” the following: “or, in extraordinary circumstances as determined by the applicable State director, after the 60-day period”.

7 USC 1981d note.

(2) The amendment made by this subsection shall take effect as if included in the enactment of section 10 of the Agricultural Credit Improvement Act of 1992 (Public Law 102–554).

(c)(1) Section 333A(f)(1)(A) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1983a(f)(1)(A)) is amended by striking “114” and inserting “339”.

7 USC 1983a note.

(2) The amendment made by this subsection shall take effect as if included in the enactment of section 14 of the Agricultural Credit Improvement Act of 1992 (Public Law 102–554).

(d) Section 339(d)(3) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1989(d)(3)) is amended by striking “preferred certified lender” and inserting “Preferred Certified Lender”.

(e)(1) Section 343(a)(11)(C) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)(11)(C)) is amended by striking “or joint operators” and inserting “joint operator, or owners”.

7 USC 1991 note.

(2) The amendment made by this subsection shall take effect as of the effective date of section 5303(a)(2) of the Agricultural Act of 2014 (Public Law 113–79).

(f)(1) Section 343(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(b)) is amended by striking “307(e)” and inserting “307(d)”.

7 USC 1901 note.

(2) The amendment made by paragraph (1) shall take effect as of the date of enactment of the Agricultural Act of 2014 (Public Law 113–79).

(g) Section 346(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1994(a)) is amended by striking the last comma.

### SEC. 5402. STATE AGRICULTURAL MEDIATION PROGRAMS.

(a) ISSUES COVERED BY STATE MEDIATION PROGRAMS.—Section 501(c) of the Agricultural Credit Act of 1987 (7 U.S.C. 5101(c)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B)—

(i) in the matter preceding clause (i), by striking “under the jurisdiction of the Department of Agriculture”;

(ii) in clause (ii), by inserting “and the national organic program established under the Organic Foods

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Production Act of 1990 (7 U.S.C. 6501 et seq.)” before the period at the end; and

(iii) by striking clause (vii) and inserting the following:

“(vii) Lease issues, including land leases and equipment leases.

“(viii) Family farm transition.

“(ix) Farmer-neighbor disputes.

“(x) Such other issues as the Secretary or the head of the department of agriculture of each participating State considers appropriate for better serving the agricultural community and persons eligible for mediation.”; and

(B) by adding at the end the following:

“(C) MEDIATION SERVICES.—Funding provided for the mediation program of a qualifying State may also be used to provide credit counseling to persons described in paragraph (2)—

“(i) prior to the initiation of any mediation involving the Department of Agriculture; or

“(ii) unrelated to any ongoing dispute or mediation in which the Department of Agriculture is a party.”;

(2) in paragraph (2)(A)—

(A) in clause (ii), by striking “and” after the semicolon;

(B) in clause (iii), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(iv) any other persons involved in an issue for which mediation services are provided by a mediation program described in paragraph (1)(B).”; and

(3) in paragraph (3)(F), by striking “that persons” and inserting the following: “that—

“(i) the Department of Agriculture receives adequate notification of those issues; and

“(ii) persons”.

(b) REPORT REQUIRED.—Section 505 of the Agricultural Credit Act of 1987 (7 U.S.C. 5105) is amended to read as follows:

**“SEC. 505. REPORT.**

“Not later than 2 years after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary shall submit to Congress a report describing—

“(1) the effectiveness of the State mediation programs receiving matching grants under this subtitle;

“(2) recommendations for improving the delivery of mediation services to producers;

“(3) the steps being taken to ensure that State mediation programs receive timely funding under this subtitle; and

“(4) the savings to the States as a result of having a mediation program.”.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 506 of the Agricultural Credit Act of 1987 (7 U.S.C. 5106) is amended by striking “2018” and inserting “2023”.

**SEC. 5403. COMPENSATION OF BANK DIRECTORS.**

Section 4.21 of the Farm Credit Act of 1971 (12 U.S.C. 2209) is repealed.

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**SEC. 5404. SHARING OF PRIVILEGED AND CONFIDENTIAL INFORMATION.**

Section 5.19 of the Farm Credit Act of 1971 (12 U.S.C. 2254) is amended by adding at the end the following:

“(e) SHARING OF PRIVILEGED AND CONFIDENTIAL INFORMATION.—A System institution shall not be considered to have waived the confidentiality of a privileged communication with an attorney or an accountant if the System institution provides the content of the communication to the Farm Credit Administration pursuant to the supervisory or regulatory authorities of the Farm Credit Administration.”.

**SEC. 5405. FACILITY HEADQUARTERS.**

Section 5.16 of the Farm Credit Act of 1971 (12 U.S.C. 2251) is amended by striking all that precedes “to the rental of quarters” and inserting the following:

**“SEC. 5.16. QUARTERS AND FACILITIES FOR THE FARM CREDIT ADMINISTRATION.**

“(a) The Farm Credit Administration shall maintain its principal office within the Washington D.C.-Maryland-Virginia standard metropolitan statistical area, and such other offices within the United States as in its judgment are necessary.

“(b) As an alternate”.

**SEC. 5406. REMOVAL AND PROHIBITION AUTHORITY; INDUSTRY-WIDE PROHIBITION.**

Part C of title V of the Farm Credit Act of 1971 is amended by inserting after section 5.29 (12 U.S.C. 2265) the following:

12 USC 2265a.

**“SEC. 5.29A. REMOVAL AND PROHIBITION AUTHORITY; INDUSTRY-WIDE PROHIBITION.**

“(a) DEFINITION OF PERSON.—In this section, the term ‘person’ means—

“(1) an individual; and

“(2) in the case of a specific determination by the Farm Credit Administration, a legal entity.

“(b) INDUSTRY-WIDE PROHIBITION.—Except as provided in subsection (c), any person who, pursuant to an order issued under section 5.28 or 5.29, has been removed or suspended from office at a System institution or prohibited from participating in the conduct of the affairs of a System institution shall not, during the period of effectiveness of the order, continue or commence to hold any office in, or participate in any manner in the conduct of the affairs of—

“(1) any insured depository institution subject to section 8(e)(7)(A)(i) of the Federal Deposit Insurance Act (12 U.S.C. 1818(e)(7)(A)(i));

“(2) any institution subject to section 8(e)(7)(A)(ii) of the Federal Deposit Insurance Act (12 U.S.C. 1818(e)(7)(A)(ii));

“(3) any insured credit union under the Federal Credit Union Act (12 U.S.C. 1751 et seq.);

“(4) any Federal home loan bank;

“(5) any institution chartered under this Act;

“(6) any appropriate Federal financial institutions regulatory agency (as defined in section 8(e)(7)(D) of the Federal Deposit Insurance Act (12 U.S.C. 1818(e)(7)(D)));

“(7) the Federal Housing Finance Agency; or

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“(8) the Farm Credit Administration.

“(c) EXCEPTION FOR INSTITUTION-AFFILIATED PARTY THAT RECEIVES WRITTEN CONSENT.—

“(1) IN GENERAL.—

“(A) AFFILIATED PARTIES.—If, on or after the date on which an order described in subsection (b) is issued that removes or suspends an institution-affiliated party from office at a System institution or prohibits an institution-affiliated party from participating in the conduct of the affairs of a System institution, that party receives written consent described in subparagraph (B), subsection (b) shall not apply to that party—

“(i) to the extent provided in the written consent received; and

“(ii) with respect to the institution described in each written consent.

“(B) WRITTEN CONSENT DESCRIBED.—The written consent referred to in subparagraph (A) is written consent received from—

“(i) the Farm Credit Administration; and

“(ii) each appropriate Federal financial institutions regulatory agency (as defined in section 8(e)(7)(D) of the Federal Deposit Insurance Act (12 U.S.C. 1818(e)(7)(D))) of the applicable institution described in any of paragraphs (1), (2), (3), or (4) of subsection (b) with respect to which the party proposes to be become an affiliated party.

“(2) DISCLOSURE.—Any agency described in clause (i) or (ii) of paragraph (1)(B) that provides a written consent under that paragraph shall—

“(A) report the action to the Farm Credit Administration; and

“(B) publicly disclose the action.

“(3) CONSULTATION BETWEEN AGENCIES.—The agencies described in clauses (i) and (ii) of paragraph (1)(B) shall consult with each other before providing any written consent under that paragraph.

“(d) VIOLATIONS.—A violation of subsection (b) by any person who is subject to an order described in that subsection shall be treated as violation of that order.”.

**SEC. 5407. JURISDICTION OVER INSTITUTION-AFFILIATED PARTIES.**

Part C of title V of the Farm Credit Act of 1971 is amended by inserting after section 5.31 (12 U.S.C. 2267) the following:

**“SEC. 5.31A. JURISDICTION OVER INSTITUTION-AFFILIATED PARTIES.** 12 USC 2267a.

“(a) IN GENERAL.—For purposes of sections 5.25, 5.26, and 5.32, the jurisdiction of the Farm Credit Administration over parties, and the authority of the Farm Credit Administration to initiate actions, shall include enforcement authority over institution-affiliated parties.

“(b) EFFECT OF SEPARATION ON JURISDICTION AND AUTHORITY.—Subject to subsection (c), the resignation, termination of employment or participation, or separation of an institution-affiliated party (including a separation caused by the merger, consolidation, conservatorship, or receivership of a Farm Credit System institution) shall not affect the jurisdiction and authority of the Farm Credit

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Administration to issue any notice or order and proceed under this part against that party.

“(c) **LIMITATION.**—To proceed against a party under subsection (b), the notice or order described in that subsection shall be served not later than 6 years after the date on which the party ceased to be an institution-affiliated party with respect to the applicable Farm Credit System institution.

“(d) **APPLICABILITY.**—The date on which a party ceases to be an institution-affiliated party described in subsection (c) may occur before, on, or after the date of enactment of this section.”.

**SEC. 5408. DEFINITION OF INSTITUTION-AFFILIATED PARTY.**

Section 5.35 of the Farm Credit Act of 1971 (12 U.S.C. 2271) is amended—

(1) in paragraph (3), by striking “and” at the end;  
 (2) by redesignating paragraph (4) as paragraph (5); and  
 (3) by inserting after paragraph (3) the following:

“(4) the term ‘institution-affiliated party’ means—

“(A) a director, officer, employee, shareholder, or agent of a System institution;

“(B) an independent contractor (including an attorney, appraiser, or accountant) who knowingly or recklessly participates in—

“(i) a violation of law (including regulations) that is associated with the operations and activities of 1 or more System institutions;

“(ii) a breach of fiduciary duty; or

“(iii) an unsafe practice that causes or is likely to cause more than a minimum financial loss to, or a significant adverse effect on, a System institution; and

“(C) any other person, as determined by the Farm Credit Administration (by regulation or on a case-by-case basis) who participates in the conduct of the affairs of a System institution; and”.

**SEC. 5409. PROHIBITION ON USE OF FUNDS.**

Section 5.65 of the Farm Credit Act of 1971 (12 U.S.C. 2277a–14) is amended by adding at the end the following:

“(e) **PROHIBITION ON USES OF FUNDS RELATED TO FEDERAL AGRICULTURAL MORTGAGE CORPORATION.**—No funds from administrative accounts or from the Farm Credit System Insurance Fund may be used by the Corporation to provide assistance to the Federal Agricultural Mortgage Corporation or to support any activities related to the Federal Agricultural Mortgage Corporation.”.

**SEC. 5410. EXPANSION OF ACREAGE EXCEPTION TO LOAN AMOUNT LIMITATION.**

(a) **IN GENERAL.**—Section 8.8(c)(2) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–8(c)(2)) is amended by striking “1,000” and inserting “2,000”.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall take effect 1 year after the date a report submitted in accordance with section 5414 of this Act indicates that it is feasible to increase the acreage limitation in section 8.8(c)(2) of the Farm Credit Act of 1971 to 2,000 acres.

12 USC  
2279aa–8 note.



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**SEC. 5411. REPEAL OF OBSOLETE PROVISIONS; TECHNICAL CORRECTIONS.**

(1) Section 1.1(c) of the Farm Credit Act of 1971 (12 U.S.C. 2001(c)) is amended in the first sentence by striking “including any costs of defeasance under section 4.8(b),”.

(2) Section 1.2 of the Farm Credit Act of 1971 (12 U.S.C. 2002) is amended by striking subsection (a) and inserting the following:

“(a) COMPOSITION.—The Farm Credit System shall include the Farm Credit Banks, the bank for cooperatives, Agricultural Credit Banks, the Federal Land Bank Associations, the Federal Land Credit Associations, the Production Credit Associations, the agricultural credit associations, the Federal Farm Credit Banks Funding Corporation, the Federal Agricultural Mortgage Corporation, service corporations established pursuant to section 4.25, and such other institutions as may be made a part of the Farm Credit System, all of which shall be chartered by and subject to regulation by the Farm Credit Administration.”.

(3) Section 2.4 of the Farm Credit Act of 1971 (12 U.S.C. 2075) is amended by striking subsection (d).

(4) Section 3.0(a) of the Farm Credit Act of 1971 (12 U.S.C. 2121(a)) is amended—

(A) in the third sentence, by striking “and a Central Bank for Cooperatives”; and

(B) by striking the fifth sentence.

(5) Section 3.2 of the Farm Credit Act of 1971 (12 U.S.C. 2123) is amended—

(A) in subsection (a)—

(i) in paragraph (1), by striking “not merged into the United Bank for Cooperatives or the National Bank for Cooperatives”; and

(ii) in paragraph (2)(A), in the matter preceding clause (i), by striking “(other than the National Bank for Cooperatives)”;

(B) by striking subsection (b);

(C) in subsection (a)—

(i) by striking “(a)(1) Each bank” and inserting the following:

“(a) IN GENERAL.—Each bank”; and

(ii) by striking “(2)(A) If approved” and inserting the following:

“(b) NOMINATION AND ELECTION.—

“(1) IN GENERAL.—If approved”;

(D) in subsection (b)(1) (as so designated)—

(i) in subparagraph (B), by striking “(B) The total” and inserting the following:

“(2) NUMBER OF VOTES.—The total”; and

(ii) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively, and indenting appropriately; and

(E) in paragraph (2) (as so designated), by striking “paragraph” and inserting “subsection”.

(6) Section 3.5 of the Farm Credit Act of 1971 (12 U.S.C. 2126) is amended in the third sentence by striking “district”.

(7) Section 3.7(a) of the Farm Credit Act of 1971 (12 U.S.C. 2128(a)) is amended by striking the second sentence.

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(8) Section 3.8(b)(1)(A) of the Farm Credit Act of 1971 (12 U.S.C. 2129(b)(1)(A)) is amended by inserting “(or any successor agency)” after “Rural Electrification Administration”.

(9) Section 3.9(a) of the Farm Credit Act of 1971 (12 U.S.C. 2130(a)) is amended by striking the third sentence.

(10) Section 3.10 of the Farm Credit Act of 1971 (12 U.S.C. 2131) is amended—

(A) in subsection (c), by striking the second sentence; and

(B) in subsection (d)—

(i) by striking “district” each place it appears; and

(ii) by inserting “for cooperatives (or any successor bank)” before “on account”.

(11) Section 3.11 of the Farm Credit Act of 1971 (12 U.S.C. 2132) is amended—

(A) in subsection (a), in the first sentence, by striking “subsections (b) and (c) of this section” and inserting “subsection (b)”;

(B) in subsection (b)—

(i) in the first sentence, by striking “district”; and

(ii) in the second sentence, by striking “Except as provided in subsection (c) below, all” and inserting “All”;

(C) by striking subsection (c); and

(D) by redesignating subsections (d) through (f) as subsections (c) through (e), respectively.

(12) Part B of title III of the Farm Credit Act of 1971 (12 U.S.C. 2141 et seq.) is amended in the part heading by striking “UNITED AND”.

(13) Section 3.20 of the Farm Credit Act of 1971 (12 U.S.C. 2141) is amended—

(A) in subsection (a), by striking “or the United Bank for Cooperatives, as the case may be”; and

(B) in subsection (b), by striking “the district banks for cooperatives and the Central Bank for Cooperatives” and inserting “the constituent banks described in section 413(b) of the Agricultural Credit Act of 1987 (12 U.S.C. 2121 note; Public Law 100–233)”.

(14) Section 3.21 of the Farm Credit Act of 1971 (12 U.S.C. 2142) is repealed.

(15) Section 3.28 of the Farm Credit Act of 1971 (12 U.S.C. 2149) is amended by striking “a district bank for cooperatives and the Central Bank for Cooperatives” and inserting “the constituent banks described in section 413(b) of the Agricultural Credit Act of 1987 (12 U.S.C. 2121 note; Public Law 100–233)”.

(16) Section 3.29 of the Farm Credit Act of 1971 (12 U.S.C. 2149a) is repealed.

(17) Section 4.0 of the Farm Credit Act of 1971 (12 U.S.C. 2151) is repealed.

(18) Section 4.8 of the Farm Credit Act of 1971 (12 U.S.C. 2159) is amended—

(A) by striking the section designation and heading and all that follows through “Each bank” in subsection (a) and inserting the following:

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“Each bank”; and

(B) by striking subsection (b).

(19) Section 4.9 of the Farm Credit Act of 1971 (12 U.S.C. 2160) is amended—

(A) in subsection (d)—

(i) by striking paragraph (2) and inserting the following:

“(3) REPRESENTATION OF BOARD.—The Farm Credit System Insurance Corporation shall not have representation on the board of directors of the Corporation.”;

(ii) in the undesignated matter following paragraph (1)(D), by striking “In selecting” and inserting the following:

“(2) CONSIDERATIONS.—In selecting”; and

(iii) in paragraph (2) (as so designated), by inserting “of paragraph (1)” after “(A) and (B)”;

(B) by striking subsection (e); and

(C) by redesignating subsection (f) as subsection (e).

(20) Section 4.9A(c) of the Farm Credit Act of 1971 (12 U.S.C. 2162(c)) is amended—

(A) by striking “institution, and—” in the matter preceding paragraph (1) and all that follows through the period at the end of paragraph (2) and inserting “institution.”;

(B) by striking “If an institution” and inserting the following:

“(1) IN GENERAL.—If an institution”;

(C) in paragraph (1) (as so designated), by striking “the receiver of the institution” and inserting “the Farm Credit System Insurance Corporation, acting as receiver.”; and

(D) by adding at the end the following:

“(2) FUNDING.—The Farm Credit System Insurance Corporation shall use such funds from the Farm Credit Insurance Fund as are sufficient to carry out this section.”.

(21) Section 4.12A(a) of the Farm Credit Act of 1971 (12 U.S.C. 2184(a)) is amended by striking paragraph (1) and inserting the following:

“(1) IN GENERAL.—A Farm Credit System bank or association shall provide to a stockholder of the bank or association a current list of stockholders of the bank or association not later than 7 calendar days after the date on which the bank or association receives a written request for the stockholder list from the stockholder.”.

(22) Section 4.14A of the Farm Credit Act of 1971 (12 U.S.C. 2202a) is amended—

(A) in subsection (a)—

(i) in the matter preceding paragraph (1), by inserting “and section 4.36” before the colon at the end; and

(ii) in paragraph (5)(B)(ii)(I), by striking “4.14C.”;

(B) by striking subsection (h);

(C) by redesignating subsections (i) through (l) as subsections (h) through (k), respectively; and

(D) in subsection (k) (as so redesignated), by striking “production credit”.

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(23) Section 4.14C of the Farm Credit Act of 1971 (12 U.S.C. 2202c) is repealed.

(24) Section 4.17 of the Farm Credit Act of 1971 (12 U.S.C. 2205) is amended in the third sentence by striking “Federal intermediate credit banks and”.

(25) Section 4.19(a) of the Farm Credit Act of 1971 (12 U.S.C. 2207(a)) is amended—

(A) in the first sentence—

(i) by striking “district”; and

(ii) by striking “Federal land bank association and production credit”; and

(B) in the second sentence, by striking “units” and inserting “institutions”.

(26) Section 4.38 of the Farm Credit Act of 1971 (12 U.S.C. 2219c) is amended by striking “The Assistance Board established under section 6.0 and all” and inserting “All”.

(27) Section 4.39 of the Farm Credit Act of 1971 (12 U.S.C. 2219d) is amended by striking “8.0(7)” and inserting “8.0”.

(28) Section 5.16 of the Farm Credit Act of 1971 (12 U.S.C. 2251) is amended in the undesignated matter following paragraph (5) of subsection (b) (as designated by section 5405)—

(A) in the fifth sentence, by striking “In actions undertaken by the banks pursuant to the foregoing provisions of this section” and inserting the following:

“(5) AGENT FOR BANKS.—In actions undertaken by the banks pursuant to this section”;

(B) in the fourth sentence, by striking “The plans” and inserting the following:

“(4) APPROVAL OF BOARD.—The plans”;

(C) in the third sentence, by striking “The powers” and inserting the following:

“(3) POWERS OF BANKS.—The powers”;

(D) in the second sentence, by striking “Such advances” and inserting the following:

“(2) ADVANCES.—The advances of funds described in paragraph (1)”;

(E) in the first sentence, by striking “The Board” and inserting the following:

“(c) FINANCING.—

“(1) IN GENERAL.—The Board”.

(29) Section 5.17(a)(2) of the Farm Credit Act of 1971 (12 U.S.C. 2252(a)(2)) is amended by striking the second and third sentences.

(30) Section 5.18 of the Farm Credit Act of 1971 (12 U.S.C. 2253) is repealed.

(31) Section 5.19 of the Farm Credit Act of 1971 (12 U.S.C. 2254) is amended—

(A) in subsection (a)—

(i) in the first sentence, by striking “Except for Federal land bank associations, each” and inserting “Each”; and

(ii) by striking the second sentence; and

(B) in subsection (b)—

(i) by striking “(b)(1) Each” and inserting “(b) Each”;

(ii) in the matter preceding paragraph (2) (as so designated)—

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(I) in the second sentence, by striking “, except with respect to any actions taken by any banks of the System under section 4.8(b),”; and

(II) by striking the third sentence; and

(iii) by striking paragraphs (2) and (3).

(32) Section 5.31 of the Farm Credit Act of 1971 (12 U.S.C. 2267) is amended in the second sentence by striking “4.14A(i)” and inserting “4.14A(h)”.

(33) Section 5.32(h) of the Farm Credit Act of 1971 (12 U.S.C. 2268(h)) is amended by striking “4.14A(i)” and inserting “4.14A(h)”.

(34) Section 5.35 of the Farm Credit Act of 1971 (12 U.S.C. 2271) is amended in paragraph (5) (as redesignated by section 5408(2))—

(A) in subparagraph (A), by adding “and” at the end;

(B) by striking subparagraph (B);

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

(D) in subparagraph (B) (as so redesignated)—

(i) by striking “after December 31, 1992,”; and

(ii) by striking “by the Farm Credit System Assistance Board under section 6.6 or”.

(35) Section 5.38 of the Farm Credit Act of 1971 (12 U.S.C. 2274) is amended by striking “a farm” and all that follows through “land bank” and inserting “a Farm Credit Bank board, officer, or employee shall not remove any director or officer of any”.

(36) Section 5.44 of the Farm Credit Act of 1971 (12 U.S.C. 2275) is repealed.

(37) Section 5.58(2) of the Farm Credit Act of 1971 (12 U.S.C. 2277a–7(2)) is amended by striking the second sentence.

(38) Section 5.60 of the Farm Credit Act of 1971 (12 U.S.C. 2277a–9) is amended—

(A) in subsection (b), by striking the subsection designation and heading and all that follows through “The Corporation” in paragraph (2) and inserting the following: “(b) AMOUNTS IN FUND.—The Corporation”; and

(B) in subsection (c)(2), by striking “Insurance Fund to—” in the matter preceding subparagraph (A) and all that follows through “ensure” in subparagraph (B) and inserting “Insurance Fund to ensure”.

(39) Title VI of the Farm Credit Act of 1971 (12 U.S.C. 2278a et seq.) is repealed.

(40) Section 7.9 of the Farm Credit Act of 1971 (12 U.S.C. 2279c–2) is amended by striking subsection (c).

(41) Section 7.10(a) of the Farm Credit Act of 1971 (12 U.S.C. 2279d(a)) is amended by striking paragraph (4) and inserting the following:

“(4) the institution pays to the Farm Credit Insurance Fund the amount by which the total capital of the institution exceeds 6 percent of the assets;”.

(42) Section 8.0 of the Farm Credit Act of 1971 (12 U.S.C. 2279aa) is amended—

(A) in paragraph (2), by striking “means—” in the matter preceding subparagraph (A) and all that follows through the period at the end of the undesignated matter

12 USC  
2278a—  
2278a–13,  
2278b–2—  
2278b–11.

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following subparagraph (B) and inserting “means the board of directors established under section 8.2.”;

(B) by striking paragraphs (6) and (8);

(C) by redesignating paragraphs (7), (9), and (10) as paragraphs (6), (7), and (8), respectively; and

(D) in subparagraph (B)(i) of paragraph (7) (as so redesignated), by striking “(b) through (d)” and inserting “(b) and (c)”.

(43) Section 8.2 of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–2) is amended—

(A) by striking subsection (a);

(B) in subsection (b), by striking the subsection designation and heading and all that follows through the period at the end of paragraph (1) and inserting the following:

“(a) IN GENERAL.—

“(1) ESTABLISHMENT.—The Corporation shall be under the management of the board of directors.”;

(C) in subsection (a) (as so designated)—

(i) by striking “permanent board” each place it appears and inserting “Board”;

(ii) by striking paragraph (3);

(iii) by redesignating paragraphs (4) through (10) as paragraphs (3) through (9), respectively; and

(iv) in paragraph (3)(A) (as so redesignated), by striking “(6)” and inserting “(5)”;

(D) by redesignating subsection (c) as subsection (b).

(44) Section 8.4(a)(1) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–4(a)(1)) is amended—

(A) in the sixth sentence—

(i) by striking “Class B” and inserting the following:

“(iii) CLASS B STOCK.—Class B”; and

(ii) by striking “8.2(b)(2)(B)” and inserting “8.2(a)(2)(B)”;

(B) in the fifth sentence—

(i) by striking “Class A” and inserting the following:

“(ii) CLASS A STOCK.—Class A”; and

(ii) by striking “8.2(b)(2)(A)” and inserting “8.2(a)(2)(A)”;

(C) in the fourth sentence, by striking “The stock” and inserting the following:

“(D) CLASSES OF STOCK.—

“(i) IN GENERAL.—The stock”;

(D) by striking the third sentence and inserting the following:

“(C) OFFERS.—

“(i) IN GENERAL.—The Board shall offer the voting common stock to banks, other financial institutions, insurance companies, and System institutions under such terms and conditions as the Board may adopt.

“(ii) REQUIREMENTS.—The voting common stock shall be fairly and broadly offered to ensure that—

“(I) no institution or institutions acquire a disproportionate share of the total quantity of the



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voting common stock outstanding of a class of stock; and

“(II) capital contributions and issuances of voting common stock for the contributions are fairly distributed between entities eligible to hold class A stock and class B stock.”;

(E) in the second sentence, by striking “Each share” and inserting the following:

“(B) NUMBER OF VOTES.—Each share”; and

(F) in the first sentence, by striking “The Corporation” and inserting the following:

“(A) IN GENERAL.—The Corporation”.

(45) Section 8.6 of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–6) is amended—

(A) by striking subsection (d);

(B) by redesignating subsection (e) as subsection (d);

and

(C) in paragraph (2) of subsection (d) (as so redesignated), by striking “8.0(9))” and inserting “8.0”.

(46) Section 8.9 of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–9) is amended by striking “4.14C,” each place it appears.

(47) Section 8.11(e) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–11(e)) is amended by striking “8.0(7)” and inserting “8.0”.

(48) Section 8.32(a) of the Farm Credit Act of 1971 (12 U.S.C. 2279bb–1(a)) is amended—

(A) in the first sentence of the matter preceding paragraph (1), by striking “Not sooner than the expiration of the 3-year period beginning on the date of enactment of the Farm Credit System Reform Act of 1996, the” and inserting “The”; and

(B) in paragraph (1)(B), by striking “8.0(9)(C)” and inserting “8.0(7)(C)”.

(49) Section 8.33(b)(2)(A) of the Farm Credit Act of 1971 (12 U.S.C. 2279bb–2(b)(2)(A)) is amended by striking “8.6(e)” and inserting “8.6(d)”.

(50) Section 8.35 of the Farm Credit Act of 1971 (12 U.S.C. 2279bb–4) is amended by striking subsection (e).

(51) Section 8.38 of the Farm Credit Act of 1971 (12 U.S.C. 2279bb–7) is repealed.

(52) Section 4 of the Agricultural Marketing Act (12 U.S.C. 1141b) is repealed.

(53) Section 5 of the Agricultural Marketing Act (12 U.S.C. 1141c) is repealed.

(54) Section 6 of the Agricultural Marketing Act (12 U.S.C. 1141d) is repealed.

(55) Section 7 of the Agricultural Marketing Act (12 U.S.C. 1141e) is repealed.

(56) Section 8 of the Agricultural Marketing Act (12 U.S.C. 1141f) is repealed.

(57) Section 14 of the Agricultural Marketing Act (12 U.S.C. 1141i) is repealed.

(58) The Act of June 22, 1939 (53 Stat. 853, chapter 239; 12 U.S.C. 1141d–1), is repealed.

(59) Section 201(e) of the Emergency Relief and Construction Act of 1932 (12 U.S.C. 1148) is repealed.

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(60) Section 2 of the Act of July 14, 1953 (67 Stat. 150, chapter 192; 12 U.S.C. 1148a–4), is repealed.

(61) Section 32 of the Farm Credit Act of 1937 (12 U.S.C. 1148b) is repealed.

(62) Section 33 of the Farm Credit Act of 1937 (12 U.S.C. 1148c) is repealed.

(63) Section 34 of the Farm Credit Act of 1937 (12 U.S.C. 1148d) is repealed.

(64) The Joint Resolution of March 3, 1932 (47 Stat. 60, chapter 70; 12 U.S.C. 1401 et seq.), is repealed.

12 USC  
2277a–10c.

**SEC. 5412. CORPORATION AS CONSERVATOR OR RECEIVER; CERTAIN OTHER POWERS.**

Part E of title V of the Farm Credit Act of 1971 is amended by inserting after section 5.61B (12 U.S.C. 2277a–10b) the following:

**“SEC. 5.61C. CORPORATION AS CONSERVATOR OR RECEIVER; CERTAIN OTHER POWERS.**

“(a) DEFINITION OF INSTITUTION.—In this section, the term ‘institution’ includes any System institution for which the Corporation has been appointed as conservator or receiver.

“(b) CERTAIN POWERS AND DUTIES OF CORPORATION AS CONSERVATOR OR RECEIVER.—In addition to the powers inherent in the express grant of corporate authority under section 5.58(9), and other powers exercised by the Corporation under this part, the Corporation shall have the following express powers to act as a conservator or receiver:

“(1) RULEMAKING AUTHORITY OF CORPORATION.—The Corporation may prescribe such regulations as the Corporation determines to be appropriate regarding the conduct of conservatorships or receiverships.

“(2) GENERAL POWERS.—

“(A) SUCCESSOR TO SYSTEM INSTITUTION.—The Corporation shall, as conservator or receiver, and by operation of law, succeed to—

“(i) all rights, titles, powers, and privileges of the System institution, and of any stockholder, member, officer, or director of such System institution with respect to the System institution and the assets of the System institution; and

“(ii) title to the books, records, and assets of any previous conservator or other legal custodian of such System institution.

“(B) OPERATE THE SYSTEM INSTITUTION.—The Corporation may, as conservator or receiver—

“(i) take over the assets of and operate the System institution with all the powers of the stockholders or members, the directors, and the officers of the System institution and conduct all business of the System institution;

“(ii) collect all obligations and money due the System institution;

“(iii) perform all functions of the System institution in the name of the System institution which are consistent with the appointment as conservator or receiver;

“(iv) preserve and conserve the assets and property of such System institution; and

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“(v) provide by contract for assistance in fulfilling any function, activity, action, or duty of the Corporation as conservator or receiver.

“(C) FUNCTIONS OF SYSTEM INSTITUTION’S OFFICERS, DIRECTORS, MEMBERS, AND STOCKHOLDERS.—The Corporation may, by regulation or order, provide for the exercise of any function by any stockholder, member, director, or officer of any System institution for which the Corporation has been appointed conservator or receiver.

“(D) POWERS AS CONSERVATOR.—Subject to any Farm Credit Administration approvals required under this Act, the Corporation may, as conservator, take such action as may be—

“(i) necessary to put the System institution in a sound and solvent condition; and

“(ii) appropriate to carry on the business of the System institution and preserve and conserve the assets and property of the System institution.

“(E) ADDITIONAL POWERS AS RECEIVER.—The Corporation may, as receiver, liquidate the System institution and proceed to realize upon the assets of the System institution, in such manner as the Corporation determines to be appropriate.

“(F) ORGANIZATION OF NEW SYSTEM BANK.—The Corporation may, as receiver with respect to any System bank, organize a bridge System bank under subsection (h).

“(G) MERGER; TRANSFER OF ASSETS AND LIABILITIES.—

“(i) IN GENERAL.—Subject to clause (ii), the Corporation may, as conservator or receiver—

“(I) merge the System institution with another System institution; and

“(II) transfer or sell any asset or liability of the System institution in default without any approval, assignment, or consent with respect to such transfer.

“(ii) APPROVAL.—No merger or transfer under clause (i) may be made to another System institution (other than a bridge System bank under subsection (h)) without the approval of the Farm Credit Administration.

“(H) PAYMENT OF VALID OBLIGATIONS.—The Corporation, as conservator or receiver, shall, to the extent that proceeds are realized from the performance of contracts or the sale of the assets of a System institution, pay all valid obligations of the System institution in accordance with the prescriptions and limitations of this section.

“(I) INCIDENTAL POWERS.—

“(i) IN GENERAL.—The Corporation may, as conservator or receiver—

“(I) exercise all powers and authorities specifically granted to conservators or receivers, respectively, under this section and such incidental powers as shall be necessary to carry out such powers; and

“(II) take any action authorized by this section, which the Corporation determines is in the best interests of—

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“(aa) the System institution in receivership or conservatorship;

“(bb) System institutions;

“(cc) System institution stockholders or investors; or

“(dd) the Corporation.

“(ii) TERMINATION OF RIGHTS AND CLAIMS.—

“(I) IN GENERAL.—Except as provided in subclause (II), notwithstanding any other provision of law, the appointment of the Corporation as receiver for a System institution and the succession of the Corporation, by operation of law, to the rights, titles, powers, and privileges described in subparagraph (A) shall terminate all rights and claims that the stockholders and creditors of the System institution may have, arising as a result of their status as stockholders or creditors, against the assets or charter of the System institution or the Corporation.

“(II) EXCEPTIONS.—Subclause (I) shall not terminate the right to payment, resolution, or other satisfaction of the claims of stockholders and creditors described in that subclause, as permitted under paragraphs (10) and (11) and subsection (d).

“(iii) CHARTER.—Notwithstanding any other provision of law, for purposes of this section, the charter of a System institution shall not be considered to be an asset of the System institution.

“(J) UTILIZATION OF PRIVATE SECTOR.—In carrying out its responsibilities in the management and disposition of assets from System institutions, as conservator, receiver, or in its corporate capacity, the Corporation may utilize the services of private persons, including real estate and loan portfolio asset management, property management, auction marketing, legal, and brokerage services, if the Corporation determines utilization of such services is practicable, efficient, and cost effective.

“(3) AUTHORITY OF RECEIVER TO DETERMINE CLAIMS.—

“(A) IN GENERAL.—The Corporation may, as receiver, determine claims in accordance with the requirements of this subsection and regulations prescribed under paragraph (4).

“(B) NOTICE REQUIREMENTS.—The receiver, in any case involving the liquidation or winding up of the affairs of a closed System institution, shall—

“(i) promptly publish a notice to the System institution’s creditors to present their claims, together with proof, to the receiver by a date specified in the notice which shall be not less than 90 days after the publication of such notice; and

“(ii) republish such notice approximately 1 month and 2 months, respectively, after the publication under clause (i).

“(C) MAILING REQUIRED.—The receiver shall mail a notice similar to the notice published under subparagraph

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(B)(i) at the time of such publication to any creditor shown on the System institution's books—

“(i) at the creditor's last address appearing in such books; or

“(ii) upon discovery of the name and address of a claimant not appearing on the System institution's books within 30 days after the discovery of such name and address.

“(4) RULEMAKING AUTHORITY RELATING TO DETERMINATION OF CLAIMS.—The Corporation may prescribe regulations regarding the allowance or disallowance of claims by the receiver and providing for administrative determination of claims and review of such determination.

“(5) PROCEDURES FOR DETERMINATION OF CLAIMS.—

“(A) DETERMINATION PERIOD.—

“(i) IN GENERAL.—Before the end of the 180-day period beginning on the date any claim against a System institution is filed with the Corporation as receiver, the Corporation shall determine whether to allow or disallow the claim and shall notify the claimant of any determination with respect to such claim.

“(ii) EXTENSION OF TIME.—The period described in clause (i) may be extended by a written agreement between the claimant and the Corporation.

“(iii) MAILING OF NOTICE SUFFICIENT.—The requirements of clause (i) shall be deemed to be satisfied if the notice of any determination with respect to any claim is mailed to the last address of the claimant which appears—

“(I) on the System institution's books;

“(II) in the claim filed by the claimant; or

“(III) in documents submitted in proof of the claim.

“(iv) CONTENTS OF NOTICE OF DISALLOWANCE.—If any claim filed under clause (i) is disallowed, the notice to the claimant shall contain—

“(I) a statement of each reason for the disallowance; and

“(II) the procedures available for obtaining agency review of the determination to disallow the claim or judicial determination of the claim.

“(B) ALLOWANCE OF PROVEN CLAIMS.—The receiver shall allow any claim received on or before the date specified in the notice published under paragraph (3)(B)(i) by the receiver from any claimant which is proved to the satisfaction of the receiver.

“(C) DISALLOWANCE OF CLAIMS FILED AFTER END OF FILING PERIOD.—

“(i) IN GENERAL.—Except as provided in clause (ii), claims filed after the date specified in the notice published under paragraph (3)(B)(i) shall be disallowed and such disallowance shall be final.

“(ii) CERTAIN EXCEPTIONS.—Clause (i) shall not apply with respect to any claim filed by any claimant after the date specified in the notice published under paragraph (3)(B)(i) and such claim may be considered by the receiver if—

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“(I) the claimant did not receive notice of the appointment of the receiver in time to file such claim before such date; and

“(II) such claim is filed in time to permit payment of such claim.

“(D) AUTHORITY TO DISALLOW CLAIMS.—

“(i) IN GENERAL.—The receiver may disallow any portion of any claim by a creditor or claim of security, preference, or priority which is not proved to the satisfaction of the receiver.

“(ii) PAYMENTS TO LESS THAN FULLY SECURED CREDITORS.—In the case of a claim of a creditor against a System institution which is secured by any property or other asset of such System institution, any receiver appointed for any System institution—

“(I) may treat the portion of such claim which exceeds an amount equal to the fair market value of such property or other asset as an unsecured claim against the System institution; and

“(II) may not make any payment with respect to such unsecured portion of the claim other than in connection with the disposition of all claims of unsecured creditors of the System institution.

“(iii) EXCEPTIONS.—No provision of this paragraph shall apply with respect to—

“(I) any extension of credit from any Federal Reserve bank or the United States Treasury to any System institution; or

“(II) any security interest in the assets of the System institution securing any such extension of credit.

“(E) NO JUDICIAL REVIEW OF DETERMINATION PURSUANT TO SUBPARAGRAPH (D).—No court may review the Corporation’s determination pursuant to subparagraph (D) to disallow a claim.

“(F) LEGAL EFFECT OF FILING.—

“(i) STATUTE OF LIMITATION TOLLED.—For purposes of any applicable statute of limitations, the filing of a claim with the receiver shall constitute a commencement of an action.

“(ii) NO PREJUDICE TO OTHER ACTIONS.—Subject to paragraph (12) and the determination of claims by a receiver, the filing of a claim with the receiver shall not prejudice any right of the claimant to continue any action which was filed before the appointment of the receiver.

“(6) PROVISION FOR JUDICIAL DETERMINATION OF CLAIMS.—

“(A) IN GENERAL.—Before the end of the 60-day period beginning on the earlier of—

“(i) the end of the period described in paragraph (5)(A)(i) with respect to any claim against a System institution for which the Corporation is receiver; or

“(ii) the date of any notice of disallowance of such claim pursuant to paragraph (5)(A)(i),  
the claimant may request administrative review of the claim in accordance with paragraph (7) or file suit on such claim (or continue an action commenced before the



appointment of the receiver) in the district or territorial court of the United States for the district within which the System institution's principal place of business is located or the United States District Court for the District of Columbia (and such court shall have jurisdiction to hear such claim).

“(B) STATUTE OF LIMITATIONS.—If any claimant fails to file suit on such claim (or continue an action commenced before the appointment of the receiver), before the end of the 60-day period described in subparagraph (A), the claim shall be deemed to be disallowed (other than any portion of such claim which was allowed by the receiver) as of the end of such period, such disallowance shall be final, and the claimant shall have no further rights or remedies with respect to such claim.

“(7) REVIEW OF CLAIMS; ADMINISTRATIVE HEARING.—If any claimant requests review under this paragraph in lieu of filing or continuing any action under paragraph (6) and the Corporation agrees to such request, the Corporation shall consider the claim after opportunity for a hearing on the record. The final determination of the Corporation with respect to such claim shall be subject to judicial review under chapter 7 of title 5, United States Code.

“(8) EXPEDITED DETERMINATION OF CLAIMS.—

“(A) ESTABLISHMENT REQUIRED.—The Corporation shall establish a procedure for expedited relief outside of the routine claims process established under paragraph (5) for claimants who—

“(i) allege the existence of legally valid and enforceable or perfected security interests in assets of any System institution for which the Corporation has been appointed receiver; and

“(ii) allege that irreparable injury will occur if the routine claims procedure is followed.

“(B) DETERMINATION PERIOD.—Before the end of the 90-day period beginning on the date any claim is filed in accordance with the procedures established pursuant to subparagraph (A), the Corporation shall—

“(i) determine—

“(I) whether to allow or disallow such claim;

or

“(II) whether such claim should be determined pursuant to the procedures established pursuant to paragraph (5); and

“(ii) notify the claimant of the determination, and if the claim is disallowed, provide a statement of each reason for the disallowance and the procedure for obtaining agency review or judicial determination.

“(C) PERIOD FOR FILING OR RENEWING SUIT.—Any claimant who files a request for expedited relief shall be permitted to file a suit, or to continue a suit filed before the appointment of the receiver, seeking a determination of the claimant's rights with respect to such security interest after the earlier of—

“(i) the end of the 90-day period beginning on the date of the filing of a request for expedited relief;

or

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“(ii) the date the Corporation denies the claim.

“(D) STATUTE OF LIMITATIONS.—If an action described in subparagraph (C) is not filed, or the motion to renew a previously filed suit is not made, before the end of the 30-day period beginning on the date on which such action or motion may be filed in accordance with subparagraph (B), the claim shall be deemed to be disallowed as of the end of such period (other than any portion of such claim which was allowed by the receiver), such disallowance shall be final, and the claimant shall have no further rights or remedies with respect to such claim.

“(E) LEGAL EFFECT OF FILING.—

“(i) STATUTE OF LIMITATION TOLLED.—For purposes of any applicable statute of limitations, the filing of a claim with the receiver shall constitute a commencement of an action.

“(ii) NO PREJUDICE TO OTHER ACTIONS.—Subject to paragraph (12), the filing of a claim with the receiver shall not prejudice any right of the claimant to continue any action which was filed before the appointment of the receiver.

“(9) AGREEMENT AS BASIS OF CLAIM.—

“(A) REQUIREMENTS.—Except as provided in subparagraph (B), any agreement which does not meet the requirements set forth in section 5.61(d) shall not form the basis of, or substantially comprise, a claim against the receiver or the Corporation.

“(B) EXCEPTION TO CONTEMPORANEOUS EXECUTION REQUIREMENT.—Notwithstanding section 5.61(d), any agreement relating to an extension of credit between a Federal Reserve bank or the United States Treasury and any System institution which was executed before such extension of credit to such System institution shall be treated as having been executed contemporaneously with such extension of credit for purposes of subparagraph (A).

“(10) PAYMENT OF CLAIMS.—

“(A) IN GENERAL.—The receiver may, in the receiver’s discretion and to the extent funds are available from the assets of the System institution, pay creditor claims which are allowed by the receiver, approved by the Corporation pursuant to a final determination pursuant to paragraph (7) or (8), or determined by the final judgment of any court of competent jurisdiction in such manner and amounts as are authorized under this Act.

“(B) LIQUIDATION PAYMENTS.—The receiver may, in the receiver’s sole discretion, pay from the assets of the System institution portions of proved claims at any time, and no liability shall attach to the Corporation (in such Corporation’s corporate capacity or as receiver), by reason of any such payment, for failure to make payments to a claimant whose claim is not proved at the time of any such payment.

“(C) RULEMAKING AUTHORITY OF CORPORATION.—The Corporation may prescribe such rules, including definitions of terms, as it deems appropriate to establish a single uniform interest rate for or to make payments of post insolvency interest to creditors holding proven claims

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against the receivership estates of System institutions following satisfaction by the receiver of the principal amount of all creditor claims.

“(11) PRIORITY OF EXPENSES AND CLAIMS.—

“(A) IN GENERAL.—Amounts realized from the liquidation or other resolution of any System institution by any receiver appointed for such System institution shall be distributed to pay claims (other than secured claims to the extent of any such security) in the following order of priority:

“(i) Administrative expenses of the receiver.

“(ii) If authorized by the Corporation, wages, salaries, or commissions, including vacation, severance, and sick leave pay earned by an individual—

“(I) in an amount that is not more than \$11,725 for each individual (as indexed for inflation, by regulation of the Corporation); and

“(II) that is earned 180 days or fewer before the date of appointment of the Corporation as receiver.

“(iii) In the case of the resolution of a System bank, all claims of holders of consolidated and System-wide bonds and all claims of the other System banks arising from the payments of the System banks pursuant to—

“(I) section 4.4 on consolidated and System-wide bonds issued under subsection (c) or (d) of section 4.2; or

“(II) an agreement, in writing and approved by the Farm Credit Administration, among the System banks to reallocate the payments.

“(iv) In the case of the resolution of a production credit association or other association making direct loans under section 7.6, all claims of a System bank based on the financing agreement between the association and the System bank—

“(I) including interest accrued before and after the appointment of the receiver; and

“(II) not including any setoff for stock or other equity of that System bank owned by the association, on that condition that, prior to making that setoff, that System bank shall obtain the approval of the Farm Credit Administration Board for the retirement of that stock or equity.

“(v) Any general or senior liability of the System institution (which is not a liability described in clause (vi) or (vii)).

“(vi) Any obligation subordinated to general creditors (which is not an obligation described in clause (vii)).

“(vii) Any obligation to stockholders or members arising as a result of their status as stockholders or members.

“(B) PAYMENT OF CLAIMS.—

“(i) IN GENERAL.—

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“(I) PAYMENT.—All claims of each priority described in clauses (i) through (vii) of subparagraph (A) shall be paid in full, or provisions shall be made for that payment, prior to the payment of any claim of a lesser priority.

“(II) INSUFFICIENT FUNDS.—If there are insufficient funds to pay in full all claims in any priority described clauses (i) through (vii) of subparagraph (A), distribution on that priority of claims shall be made on a pro rata basis.

“(ii) DISTRIBUTION OF REMAINING ASSETS.—Following the payment of all claims in accordance with subparagraph (A), the receiver shall distribute the remainder of the assets of the System institution to the owners of stock, participation certificates, and other equities in accordance with the priorities for impairment under the bylaws of the System institution.

“(iii) ELIGIBLE BORROWER STOCK.—Notwithstanding subparagraph (C) or any other provision of this section, eligible borrower stock shall be retired in accordance with section 4.9A.

“(C) EFFECT OF STATE LAW.—

“(i) IN GENERAL.—The provisions of subparagraph (A) shall not supersede the law of any State except to the extent such law is inconsistent with the provisions of such subparagraph, and then only to the extent of the inconsistency.

“(ii) PROCEDURE FOR DETERMINATION OF INCONSISTENCY.—Upon the Corporation’s own motion or upon the request of any person with a claim described in subparagraph (A) or any State which is submitted to the Corporation in accordance with procedures which the Corporation shall prescribe, the Corporation shall determine whether any provision of the law of any State is inconsistent with any provision of subparagraph (A) and the extent of any such inconsistency.

“(iii) JUDICIAL REVIEW.—The final determination of the Corporation under clause (ii) shall be subject to judicial review under chapter 7 of title 5, United States Code.

“(D) ACCOUNTING REPORT.—Any distribution by the Corporation in connection with any claim described in subparagraph (A)(vii) shall be accompanied by the accounting report required under paragraph (15)(B).

“(12) SUSPENSION OF LEGAL ACTIONS.—

“(A) IN GENERAL.—After the appointment of a conservator or receiver for a System institution, the conservator or receiver may request a stay for a period not to exceed—

“(i) 45 days, in the case of any conservator; and

“(ii) 90 days, in the case of any receiver,

in any judicial action or proceeding to which such System institution is or becomes a party.

“(B) GRANT OF STAY BY ALL COURTS REQUIRED.—Upon receipt of a request by any conservator or receiver pursuant to subparagraph (A) for a stay of any judicial action or proceeding in any court with jurisdiction of such action

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or proceeding, the court shall grant such stay as to all parties.

“(13) ADDITIONAL RIGHTS AND DUTIES.—

“(A) PRIOR FINAL ADJUDICATION.—The Corporation shall abide by any final unappealable judgment of any court of competent jurisdiction which was rendered before the appointment of the Corporation as conservator or receiver.

“(B) RIGHTS AND REMEDIES OF CONSERVATOR OR RECEIVER.—In the event of any appealable judgment, the Corporation as conservator or receiver shall—

“(i) have all the rights and remedies available to the System institution (before the appointment of such conservator or receiver) and the Corporation in its corporate capacity, including removal to Federal court and all appellate rights; and

“(ii) not be required to post any bond in order to pursue such remedies.

“(C) NO ATTACHMENT OR EXECUTION.—No attachment or execution may issue by any court on—

“(i) assets in the possession of the receiver; or

“(ii) the charter of a System institution for which the Corporation has been appointed receiver.

“(D) LIMITATION ON JUDICIAL REVIEW.—Except as otherwise provided in this subsection, no court shall have jurisdiction over—

“(i) any claim or action for payment from, or any action seeking a determination of rights with respect to, the assets of any System institution for which the Corporation has been appointed receiver, including assets which the Corporation may acquire from itself as such receiver; or

“(ii) any claim relating to any act or omission of such System institution or the Corporation as receiver.

“(E) DISPOSITION OF ASSETS.—In exercising any right, power, privilege, or authority as receiver in connection with any sale or disposition of assets of any System institution for which the Corporation is acting as receiver, the Corporation shall, to the maximum extent practicable, conduct its operations in a manner which—

“(i) maximizes the net present value return from the sale or disposition of such assets;

“(ii) minimizes the amount of any loss realized in the resolution of cases;

“(iii) ensures adequate competition and fair and consistent treatment of offerors;

“(iv) prohibits discrimination on the basis of race, sex, or ethnic groups in the solicitation and consideration of offers; and

“(v) mitigates the potential for serious adverse effects to the rest of the System.

“(14) STATUTE OF LIMITATIONS FOR ACTIONS BROUGHT BY CONSERVATOR OR RECEIVER.—

“(A) IN GENERAL.—Notwithstanding any provision of any contract, the applicable statute of limitations with

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regard to any action brought by the Corporation as conservator or receiver shall be—

“(i) in the case of any contract claim, the longer of—

“(I) the 6-year period beginning on the date the claim accrues; or

“(II) the period applicable under State law; and

“(ii) in the case of any tort claim, the longer of—

“(I) the 3-year period beginning on the date the claim accrues; or

“(II) the period applicable under State law.

“(B) DETERMINATION OF THE DATE ON WHICH A CLAIM ACCRUES.—For purposes of subparagraph (A), the date on which the statute of limitations begins to run on any claim described in such subparagraph shall be the later of—

“(i) the date of the appointment of the Corporation as conservator or receiver; or

“(ii) the date on which the cause of action accrues.

“(C) REVIVAL OF EXPIRED STATE CAUSES OF ACTION.—

“(i) IN GENERAL.—In the case of any tort claim described in clause (ii) for which the statute of limitation applicable under State law with respect to such claim has expired not more than 5 years before the appointment of the Corporation as conservator or receiver, the Corporation may bring an action as conservator or receiver on such claim without regard to the expiration of the statute of limitation applicable under State law.

“(ii) CLAIMS DESCRIBED.—A tort claim referred to in clause (i) is a claim arising from fraud, intentional misconduct resulting in unjust enrichment, or intentional misconduct resulting in substantial loss to the System institution.

“(15) ACCOUNTING AND RECORDKEEPING REQUIREMENTS.—

“(A) IN GENERAL.—The Corporation as conservator or receiver shall, consistent with the accounting and reporting practices and procedures established by the Corporation, maintain a full accounting of each conservatorship and receivership or other disposition of System institutions in default.

“(B) ANNUAL ACCOUNTING OR REPORT.—With respect to each conservatorship or receivership to which the Corporation was appointed, the Corporation shall make an annual accounting or report, as appropriate, available to the Farm Credit Administration Board.

“(C) AVAILABILITY OF REPORTS.—Any report prepared pursuant to subparagraph (B) shall be made available by the Corporation upon request to any stockholder of the System institution for which the Corporation was appointed conservator or receiver or any other member of the public.

“(D) RECORDKEEPING REQUIREMENT.—

“(i) IN GENERAL.—Except as provided in clause (ii), after the end of the 6-year period beginning on the date the Corporation is appointed as receiver of a System institution, the Corporation may destroy any



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records of such System institution which the Corporation, in the Corporation's discretion, determines to be unnecessary unless directed not to do so by a court of competent jurisdiction or governmental agency, or prohibited by law.

“(ii) OLD RECORDS.—Notwithstanding clause (i), the Corporation may destroy records of a System institution which are at least 10 years old as of the date on which the Corporation is appointed as the receiver of such System institution in accordance with clause (i) at any time after such appointment is final, without regard to the 6-year period of limitation contained in clause (i).

“(16) FRAUDULENT TRANSFERS.—

“(A) IN GENERAL.—The Corporation, as conservator or receiver for any System institution, may avoid a transfer of any interest of a System institution-affiliated party, or any person who the Corporation determines is a debtor of the System institution, in property, or any obligation incurred by such party or person, that was made within 5 years of the date on which the Corporation was appointed conservator or receiver if such party or person voluntarily or involuntarily made such transfer or incurred such liability with the intent to hinder, delay, or defraud the System institution, the Farm Credit Administration, or the Corporation.

“(B) RIGHT OF RECOVERY.—To the extent a transfer is avoided under subparagraph (A), the Corporation may recover, for the benefit of the System institution, the property transferred, or, if a court so orders, the value of such property (at the time of such transfer) from—

“(i) the initial transferee of such transfer or the System institution-affiliated party or person for whose benefit such transfer was made; or

“(ii) any immediate or mediate transferee of any such initial transferee.

“(C) RIGHTS OF TRANSFEREE OR OBLIGEE.—The Corporation may not recover under subparagraph (B) from—

“(i) any transferee that takes for value, including satisfaction or securing of a present or antecedent debt, in good faith; or

“(ii) any immediate or mediate good faith transferee of such transferee.

“(D) RIGHTS UNDER THIS PARAGRAPH.—The rights under this paragraph of the Corporation shall be superior to any rights of a trustee or any other party (other than any party which is a Federal agency) under title 11, United States Code.

“(17) ATTACHMENT OF ASSETS AND OTHER INJUNCTIVE RELIEF.—Subject to paragraph (18), any court of competent jurisdiction may, at the request of the Corporation (in the Corporation's capacity as conservator or receiver for any System institution or in the Corporation's corporate capacity with respect to any asset acquired or liability assumed by the Corporation under section 5.61), issue an order in accordance with Rule 65 of the Federal Rules of Civil Procedure, including an order placing the assets of any person designated by the

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Corporation under the control of the court and appointing a trustee to hold such assets.

“(18) STANDARDS.—

“(A) SHOWING.—Rule 65 of the Federal Rules of Civil Procedure shall apply with respect to any proceeding under paragraph (17) without regard to the requirement of such rule that the applicant show that the injury, loss, or damage is irreparable and immediate.

“(B) STATE PROCEEDING.—If, in the case of any proceeding in a State court, the court determines that rules of civil procedure available under the laws of such State provide substantially similar protections to such party’s right to due process as Rule 65 (as modified with respect to such proceeding by subparagraph (A)), the relief sought by the Corporation pursuant to paragraph (17) may be requested under the laws of such State.

“(19) TREATMENT OF CLAIMS ARISING FROM BREACH OF CONTRACTS EXECUTED BY THE RECEIVER OR CONSERVATOR.—Notwithstanding any other provision of this subsection, any final and unappealable judgment for monetary damages entered against a receiver or conservator for a System institution for the breach of an agreement executed or approved by such receiver or conservator after the date of its appointment shall be paid as an administrative expense of the receiver or conservator. Nothing in this paragraph shall be construed to limit the power of a receiver or conservator to exercise any rights under contract or law, including terminating, breaching, canceling, or otherwise discontinuing such agreement.

“(c) PROVISIONS RELATING TO CONTRACTS ENTERED INTO BEFORE APPOINTMENT OF CONSERVATOR OR RECEIVER.—

“(1) AUTHORITY TO REPUDIATE CONTRACTS.—In addition to any other rights a conservator or receiver may have, the conservator or receiver for a System institution may disaffirm or repudiate any contract or lease—

“(A) to which such System institution is a party;

“(B) the performance of which the conservator or receiver, in the conservator’s or receiver’s discretion, determines to be burdensome; and

“(C) the disaffirmance or repudiation of which the conservator or receiver determines, in the conservator’s or receiver’s discretion, will promote the orderly administration of the System institution’s affairs.

“(2) TIMING OF REPUDIATION.—The Corporation as conservator or receiver for any System institution shall determine whether or not to exercise the rights of repudiation under this subsection within a reasonable period following such appointment.

“(3) CLAIMS FOR DAMAGES FOR REPUDIATION.—

“(A) IN GENERAL.—Except as otherwise provided in subparagraph (C) and paragraphs (4), (5), and (6), the liability of the conservator or receiver for the disaffirmance or repudiation of any contract pursuant to paragraph (1) shall be—

“(i) limited to actual direct compensatory damages;

and

“(ii) determined as of—

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“(I) the date of the appointment of the conservator or receiver; or

“(II) in the case of any contract or agreement referred to in paragraph (8), the date of the disaffirmance or repudiation of such contract or agreement.

“(B) NO LIABILITY FOR OTHER DAMAGES.—For purposes of subparagraph (A), the term ‘actual direct compensatory damages’ does not include—

“(i) punitive or exemplary damages;

“(ii) damages for lost profits or opportunity; or

“(iii) damages for pain and suffering.

“(C) MEASURE OF DAMAGES FOR REPUDIATION OF FINANCIAL CONTRACTS.—In the case of any qualified financial contract or agreement to which paragraph (8) applies, compensatory damages shall be—

“(i) deemed to include normal and reasonable costs of cover or other reasonable measures of damages utilized in the industries for such contract and agreement claims; and

“(ii) paid in accordance with this subsection and subsection (j), except as otherwise specifically provided in this section.

“(4) LEASES UNDER WHICH THE SYSTEM INSTITUTION IS THE LESSEE.—

“(A) IN GENERAL.—If the conservator or receiver disaffirms or repudiates a lease under which the System institution was the lessee, the conservator or receiver shall not be liable for any damages (other than damages determined pursuant to subparagraph (B)) for the disaffirmance or repudiation of such lease.

“(B) PAYMENTS OF RENT.—Notwithstanding subparagraph (A), the lessor under a lease to which such subparagraph applies shall—

“(i) be entitled to the contractual rent accruing before the later of the date—

“(I) the notice of disaffirmance or repudiation is mailed; or

“(II) the disaffirmance or repudiation becomes effective, unless the lessor is in default or breach of the terms of the lease; and

“(ii) have no claim for damages under any acceleration clause or other penalty provision in the lease; and

“(iii) have a claim for any unpaid rent, subject to all appropriate offsets and defenses, due as of the date of the appointment, which shall be paid in accordance with this subsection and subsection (j).

“(5) LEASES UNDER WHICH THE SYSTEM INSTITUTION IS THE LESSOR.—

“(A) IN GENERAL.—If the conservator or receiver repudiates an unexpired written lease of real property of the System institution under which the System institution is the lessor and the lessee is not, as of the date of such repudiation, in default, the lessee under such lease may either—

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“(i) treat the lease as terminated by such repudiation; or

“(ii) remain in possession of the leasehold interest for the balance of the term of the lease, unless the lessee defaults under the terms of the lease after the date of such repudiation.

“(B) PROVISIONS APPLICABLE TO LESSEE REMAINING IN POSSESSION.—If any lessee under a lease described in subparagraph (A) remains in possession of a leasehold interest pursuant to clause (ii) of such subparagraph—

“(i) the lessee—

“(I) shall continue to pay the contractual rent pursuant to the terms of the lease after the date of the repudiation of such lease; and

“(II) may offset against any rent payment which accrues after the date of the repudiation of the lease, any damages which accrue after such date due to the nonperformance of any obligation of the System institution under the lease after such date; and

“(ii) the conservator or receiver shall not be liable to the lessee for any damages arising after such date as a result of the repudiation, other than the amount of any offset allowed under clause (i)(II).

“(6) CONTRACTS FOR THE SALE OF REAL PROPERTY.—

“(A) IN GENERAL.—If the conservator or receiver repudiates any contract that meets the requirements of paragraphs (1) through (4) of section 5.61(d) for the sale of real property, and the purchaser of such real property under such contract is in possession and is not, as of the date of such repudiation, in default, such purchaser may either—

“(i) treat the contract as terminated by such repudiation; or

“(ii) remain in possession of such real property.

“(B) PROVISIONS APPLICABLE TO PURCHASER REMAINING IN POSSESSION.—If any purchaser of real property under any contract described in subparagraph (A) remains in possession of such property pursuant to clause (ii) of such subparagraph—

“(i) the purchaser—

“(I) shall continue to make all payments due under the contract after the date of the repudiation of the contract; and

“(II) may offset against any such payments any damages which accrue after such date due to the nonperformance (after such date) of any obligation of the System institution under the contract; and

“(ii) the conservator or receiver shall—

“(I) not be liable to the purchaser for any damages arising after that date as a result of the repudiation, other than the amount of any offset allowed under clause (i)(II);

“(II) deliver title to the purchaser in accordance with the contract; and

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“(III) have no obligation under the contract, other than the performance required under subclause (II).

“(C) ASSIGNMENT AND SALE ALLOWED.—

“(i) IN GENERAL.—No provision of this paragraph shall be construed as limiting the right of the conservator or receiver to assign the contract described in subparagraph (A) and sell the property subject to the contract and this paragraph.

“(ii) NO LIABILITY AFTER ASSIGNMENT AND SALE.—If an assignment and sale described in clause (i) is consummated, the Corporation, acting as conservator or receiver, shall have no further liability under the applicable contract described in subparagraph (A) or with respect to the real property which was the subject of such contract.

“(7) PROVISIONS APPLICABLE TO SERVICE CONTRACTS.—

“(A) SERVICES PERFORMED BEFORE APPOINTMENT.—In the case of any contract for services between any person and any System institution for which the Corporation has been appointed conservator or receiver, any claim of such person for services performed before the appointment of the conservator or the receiver shall be—

“(i) a claim to be paid in accordance with subsections (b) and (d); and

“(ii) deemed to have arisen as of the date the conservator or receiver was appointed.

“(B) SERVICES PERFORMED AFTER APPOINTMENT AND PRIOR TO REPUDIATION.—If, in the case of any contract for services described in subparagraph (A), the conservator or receiver accepts performance by the other person before the conservator or receiver makes any determination to exercise the right of repudiation of such contract under this section—

“(i) the other party shall be paid under the terms of the contract for the services performed; and

“(ii) the amount of such payment shall be treated as an administrative expense of the conservatorship or receivership.

“(C) ACCEPTANCE OF PERFORMANCE NO BAR TO SUBSEQUENT REPUDIATION.—The acceptance by any conservator or receiver of services referred to in subparagraph (B) in connection with a contract described in such subparagraph shall not affect the right of the conservator or receiver, to repudiate such contract under this section at any time after such performance.

“(8) CERTAIN QUALIFIED FINANCIAL CONTRACTS.—

“(A) DEFINITIONS.—In this paragraph:

“(i) COMMODITY CONTRACT.—The term ‘commodity contract’ means—

“(I) with respect to a futures commission merchant, a contract for the purchase or sale of a commodity for future delivery on, or subject to the rules of, a contract market or board of trade;

“(II) with respect to a foreign futures commission merchant, a foreign future;

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“(III) with respect to a leverage transaction merchant, a leverage transaction;

“(IV) with respect to a clearing organization, a contract for the purchase or sale of a commodity for future delivery on, or subject to the rules of, a contract market or board of trade that is cleared by such clearing organization, or commodity option traded on, or subject to the rules of, a contract market or board of trade that is cleared by such clearing organization;

“(V) with respect to a commodity options dealer, a commodity option;

“(VI) any other agreement or transaction that is similar to any agreement or transaction referred to in this clause;

“(VII) any combination of the agreements or transactions referred to in this clause;

“(VIII) any option to enter into any agreement or transaction referred to in this clause;

“(IX) a master agreement that provides for an agreement or transaction referred to in any of subclauses (I) through (VIII), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a commodity contract under this clause, except that the master agreement shall be considered to be a commodity contract under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (II), (III), (IV), (V), (VI), (VII), or (VIII); or

“(X) any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in this clause, including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in this clause.

“(ii) FORWARD CONTRACT.—The term ‘forward contract’ means—

“(I) a contract (other than a commodity contract) for the purchase, sale, or transfer of a commodity or any similar good, article, service, right, or interest which is presently or in the future becomes the subject of dealing in the forward contract trade, or product or byproduct thereof, with a maturity date more than 2 days after the date the contract is entered into, including a repurchase or reverse repurchase transaction (whether or not such repurchase or reverse repurchase transaction is a repurchase agreement), consignment, lease, swap, hedge transaction, deposit, loan, option, allocated transaction, unallocated transaction, or any other similar agreement;

“(II) any combination of agreements or transactions referred to in subclauses (I) and (III);



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“(III) any option to enter into any agreement or transaction referred to in subclause (I) or (II);

“(IV) a master agreement that provides for an agreement or transaction referred to in subclauses (I) through (III), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a forward contract under this clause, except that the master agreement shall be considered to be a forward contract under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (II), or (III); or

“(V) any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in subclause (I), (II), (III), or (IV), including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in any such subclause.

“(iii) PERSON.—The term ‘person’—

“(I) has the meaning given the term in section 1 of title 1, United States Code; and

“(II) includes any governmental entity.

“(iv) QUALIFIED FINANCIAL CONTRACT.—The term ‘qualified financial contract’ means any securities contract, commodity contract, forward contract, repurchase agreement, swap agreement, and any similar agreement that the Corporation determines by regulation, resolution, or order to be a qualified financial contract for purposes of this paragraph.

“(v) REPURCHASE AGREEMENT.—

“(I) IN GENERAL.—The term ‘repurchase agreement’ (including with respect to a reverse repurchase agreement)—

“(aa) means—

“(AA) an agreement, including related terms, which provides for the transfer of one or more certificates of deposit, mortgage-related securities (as such term is defined in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a))), mortgage loans, interests in mortgage-related securities or mortgage loans, eligible bankers’ acceptances, qualified foreign government securities or securities that are direct obligations of, or that are fully guaranteed by, the United States or any agency of the United States against the transfer of funds by the transferee of such certificates of deposit, eligible bankers’ acceptances, securities, mortgage loans, or interests with a simultaneous agreement by such transferee to transfer to the transferor thereof certificates of deposit, eligible bankers’ acceptances,

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securities, mortgage loans, or interests as described above, at a date certain not later than 1 year after such transfers or on demand, against the transfer of funds, or any other similar agreement;

“(BB) any combination of agreements or transactions referred to in subitems (AA) and (CC);

“(CC) any option to enter into any agreement or transaction referred to in subitem (AA) or (BB);

“(DD) a master agreement that provides for an agreement or transaction referred to in subitem (AA), (BB), or (CC), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a repurchase agreement under this item, except that the master agreement shall be considered to be a repurchase agreement under this item only with respect to each agreement or transaction under the master agreement that is referred to in subitem (AA), (BB), or (CC); and

“(EE) any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in any of subitems (AA) through (DD), including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in any such subitem; and

“(bb) does not include any repurchase obligation under a participation in a commercial mortgage, loan unless the Corporation determines by regulation, resolution, or order to include any such participation within the meaning of such term.

“(II) RELATED DEFINITION.—For purposes of subclause (I)(aa), the term ‘qualified foreign government security’ means a security that is a direct obligation of, or that is fully guaranteed by, the central government of a member of the Organization for Economic Cooperation and Development (as determined by regulation or order adopted by the appropriate Federal banking authority).

“(vi) SECURITIES CONTRACT.—The term ‘securities contract’—

“(I) means—

“(aa) a contract for the purchase, sale, or loan of a security, a certificate of deposit, a mortgage loan, any interest in a mortgage loan, a group or index of securities, certificates of deposit, or mortgage loans or interests

therein (including any interest therein or based on the value thereof) or any option on any of the foregoing, including any option to purchase or sell any such security, certificate of deposit, mortgage loan, interest, group or index, or option, and including any repurchase or reverse repurchase transaction on any such security, certificate of deposit, mortgage loan, interest, group or index, or option (whether or not the repurchase or reverse repurchase transaction is a repurchase agreement);

“(bb) any option entered into on a national securities exchange relating to foreign currencies;

“(cc) the guarantee (including by novation) by or to any securities clearing agency of any settlement of cash, securities, certificates of deposit, mortgage loans or interests therein, group or index of securities, certificates of deposit, or mortgage loans or interests therein (including any interest therein or based on the value thereof) or option on any of the foregoing, including any option to purchase or sell any such security, certificate of deposit, mortgage loan, interest, group or index, or option (whether or not the settlement is in connection with any agreement or transaction referred to in any of items (aa), (bb), and (dd) through (kk));

“(dd) any margin loan;

“(ee) any extension of credit for the clearance or settlement of securities transactions;

“(ff) any loan transaction coupled with a securities collar transaction, any prepaid securities forward transaction, or any total return swap transaction coupled with a securities sale transaction;

“(gg) any other agreement or transaction that is similar to any agreement or transaction referred to in this subclause;

“(hh) any combination of the agreements or transactions referred to in this subclause;

“(ii) any option to enter into any agreement or transaction referred to in this subclause;

“(jj) a master agreement that provides for an agreement or transaction referred to in any of items (aa) through (ii), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a securities contract under this subclause, except that the master agreement shall be considered to be a securities contract under this subclause only with respect to each agreement or transaction under the master agreement that is referred

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to in item (aa), (bb), (cc), (dd), (ee), (ff), (gg), (hh), or (ii); and

“(kk) any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in this subclause, including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in this subclause; and

“(II) does not include any purchase, sale, or repurchase obligation under a participation in a commercial mortgage loan unless the Corporation determines by regulation, resolution, or order to include any such agreement within the meaning of such term.

“(vii) SWAP AGREEMENT.—The term ‘swap agreement’ means—

“(I) any agreement, including the terms and conditions incorporated by reference in any such agreement, that is—

“(aa) an interest rate swap, option, future, or forward agreement, including a rate floor, rate cap, rate collar, cross-currency rate swap, and basis swap;

“(bb) a spot, same day-tomorrow, tomorrow-next, forward, or other foreign exchange precious metals or other commodity agreement;

“(cc) a currency swap, option, future, or forward agreement;

“(dd) an equity index or equity swap, option, future, or forward agreement;

“(ee) a debt index or debt swap, option, future, or forward agreement;

“(ff) a total return, credit spread or credit swap, option, future, or forward agreement;

“(gg) a commodity index or commodity swap, option, future, or forward agreement;

“(hh) a weather swap, option, future, or forward agreement;

“(ii) an emissions swap, option, future, or forward agreement; or

“(jj) an inflation swap, option, future, or forward agreement;

“(II) any agreement or transaction that is similar to any other agreement or transaction referred to in this clause and that is of a type that has been, is presently, or in the future becomes, the subject of recurrent dealings in the swap or other derivatives markets (including terms and conditions incorporated by reference in such agreement) and that is a forward, swap, future, option or spot transaction on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, quantitative measures associated with an occurrence, extent of an occurrence, or

contingency associated with a financial, commercial, or economic consequence, or economic or financial indices or measures of economic or financial risk or value;

“(III) any combination of agreements or transactions referred to in this clause;

“(IV) any option to enter into any agreement or transaction referred to in this clause;

“(V) a master agreement that provides for an agreement or transaction referred to in any of subclauses (I) through (IV), together with all supplements to any such master agreement, without regard to whether the master agreement contains an agreement or transaction that is not a swap agreement under this clause, except that the master agreement shall be considered to be a swap agreement under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (II), (III), or (IV); and

“(VI) any security agreement or arrangement or other credit enhancement related to any agreements or transactions referred to in any of subclauses (I) through (V), including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in any such subclause.

“(viii) TRANSFER.—The term ‘transfer’ means every mode, direct or indirect, absolute or conditional, voluntary or involuntary, of disposing of or parting with property or with an interest in property, including retention of title as a security interest and foreclosure of the equity of redemption of a System institution.

“(ix) TREATMENT OF MASTER AGREEMENT AS 1 AGREEMENT.—For purposes of this subparagraph—

“(I) any master agreement for any contract or agreement described in this subparagraph (or any master agreement for such a master agreement or agreements), together with all supplements to the master agreement, shall be treated as a single agreement and a single qualified financial contract; and

“(II) if a master agreement contains provisions relating to agreements or transactions that are not qualified financial contracts, the master agreement shall be deemed to be a qualified financial contract only with respect to those transactions that are themselves qualified financial contracts.

“(B) RIGHTS OF PARTIES TO CONTRACTS.—Subject to paragraphs (9) and (10), and notwithstanding any other provision of this Act (other than subsection (b)(9) and section 5.61(d)) or any other Federal or State law, no person shall be stayed or prohibited from exercising—

“(i) any right such person has to cause the termination, liquidation, or acceleration of any qualified financial contract with a System institution which arises upon the appointment of the Corporation as

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receiver for such System institution at any time after such appointment;

“(ii) any right under any security agreement or arrangement or other credit enhancement related to one or more qualified financial contracts described in clause (i); or

“(iii) any right to offset or net out any termination value, payment amount, or other transfer obligation arising under, or in connection with, 1 or more contracts and agreements described in clause (i), including any master agreement for such contracts or agreements.

“(C) APPLICABILITY OF OTHER PROVISIONS.—Subsection (b)(12) shall apply in the case of any judicial action or proceeding brought against any receiver referred to in subparagraph (A), or the System institution for which such receiver was appointed, by any party to a contract or agreement described in subparagraph (B)(i) with such System institution.

“(D) CERTAIN TRANSFERS NOT AVOIDABLE.—

“(i) IN GENERAL.—Notwithstanding paragraph (11) or any other Federal or State law relating to the avoidance of preferential or fraudulent transfers, the Corporation, whether acting as such or as conservator or receiver of a System institution, may not avoid any transfer of money or other property in connection with any qualified financial contract with a System institution.

“(ii) EXCEPTION FOR CERTAIN TRANSFERS.—Clause (i) shall not apply to any transfer of money or other property in connection with any qualified financial contract with a System institution if the Corporation determines that the transferee had actual intent to hinder, delay, or defraud such System institution, the creditors of such System institution, or any conservator or receiver appointed for such System institution.

“(E) CERTAIN PROTECTIONS IN EVENT OF APPOINTMENT OF CONSERVATOR.—Notwithstanding any other provision of this Act (other than subparagraph (G), paragraph (10), subsection (b)(9), and section 5.61(d)) or any other Federal or State law, no person shall be stayed or prohibited from exercising—

“(i) any right such person has to cause the termination, liquidation, or acceleration of any qualified financial contract with a System institution in a conservatorship based upon a default under such financial contract which is enforceable under applicable non-insolvency law;

“(ii) any right under any security agreement or arrangement or other credit enhancement related to one or more qualified financial contracts described in clause (i); and

“(iii) any right to offset or net out any termination values, payment amounts, or other transfer obligations arising under or in connection with such qualified financial contracts.



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“(F) CLARIFICATION.—No provision of law shall be construed as limiting the right or power of the Corporation, or authorizing any court or agency to limit or delay, in any manner, the right or power of the Corporation to transfer any qualified financial contract in accordance with paragraphs (9) and (10) or to disaffirm or repudiate any such contract in accordance with paragraph (1).

“(G) WALKAWAY CLAUSES NOT EFFECTIVE.—

“(i) DEFINITION OF WALKAWAY CLAUSE.—In this subparagraph, the term ‘walkaway clause’ means any provision in a qualified financial contract that suspends, conditions, or extinguishes a payment obligation of a party, in whole or in part, or does not create a payment obligation of a party that would otherwise exist—

“(I) solely because of—

“(aa) the status of the party as a non-defaulting party in connection with the insolvency of a System institution that is a party to the contract; or

“(bb) the appointment of, or the exercise of rights or powers by, the Corporation as a conservator or receiver of the System institution; and

“(II) not as a result of the exercise by a party of any right to offset, setoff, or net obligations that exist under—

“(aa) the contract;

“(bb) any other contract between those parties; or

“(cc) applicable law.

“(ii) TREATMENT.—Notwithstanding the provisions of subparagraphs (B) and (E), no walkaway clause shall be enforceable in a qualified financial contract of a System institution in default.

“(iii) LIMITED SUSPENSION OF CERTAIN OBLIGATIONS.—In the case of a qualified financial contract referred to in clause (ii), any payment or delivery obligations otherwise due from a party pursuant to the qualified financial contract shall be suspended from the time the receiver is appointed until the earlier of—

“(I) the time such party receives notice that such contract has been transferred pursuant to subparagraph (B); or

“(II) 5:00 p.m. (eastern time) on the business day following the date of the appointment of the receiver.

“(H) RECORDKEEPING REQUIREMENTS.—The Corporation, in consultation with the Farm Credit Administration, may prescribe regulations requiring more detailed recordkeeping by any System institution with respect to qualified financial contracts (including market valuations), only if such System institution is subject to subclause (I), (III), or (IV) of section 5.61B(a)(1)(A)(ii).

“(9) TRANSFER OF QUALIFIED FINANCIAL CONTRACTS.—

“(A) DEFINITIONS.—In this paragraph:

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“(i) CLEARING ORGANIZATION.—The term ‘clearing organization’ has the meaning given the term in section 402 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 4402).

“(ii) FINANCIAL INSTITUTION.—The term ‘financial institution’ means a System institution, a broker or dealer, a depository institution, a futures commission merchant, or any other institution, as determined by the Corporation by regulation to be a financial institution.

“(B) REQUIREMENT.—In making any transfer of assets or liabilities of a System institution in default which includes any qualified financial contract, the conservator or receiver for such System institution shall either—

“(i) transfer to one financial institution, other than a financial institution for which a conservator, receiver, trustee in bankruptcy, or other legal custodian has been appointed, or that is otherwise the subject of a bankruptcy or insolvency proceeding—

“(I) all qualified financial contracts between any person or any affiliate of such person and the System institution in default;

“(II) all claims of such person or any affiliate of such person against such System institution under any such contract (other than any claim which, under the terms of any such contract, is subordinated to the claims of general unsecured creditors of such System institution);

“(III) all claims of such System institution against such person or any affiliate of such person under any such contract; and

“(IV) all property securing or any other credit enhancement for any contract described in subclause (I) or any claim described in subclause (II) or (III) under any such contract; or

“(ii) transfer none of the qualified financial contracts, claims, property or other credit enhancement referred to in clause (i) (with respect to such person and any affiliate of such person).

“(C) TRANSFER TO FOREIGN BANK, FOREIGN FINANCIAL INSTITUTION, OR BRANCH OR AGENCY OF A FOREIGN BANK OR FINANCIAL INSTITUTION.—In transferring any qualified financial contracts and related claims and property under subparagraph (B)(i), the conservator or receiver for the System institution shall not make such transfer to a foreign bank, financial institution organized under the laws of a foreign country, or a branch or agency of a foreign bank or financial institution unless, under the law applicable to such bank, financial institution, branch or agency, to the qualified financial contracts, and to any netting contract, any security agreement or arrangement or other credit enhancement related to one or more qualified financial contracts, the contractual rights of the parties to such qualified financial contracts, netting contracts, security agreements or arrangements, or other credit enhancements are enforceable substantially to the same extent as permitted under this section.

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“(D) TRANSFER OF CONTRACTS SUBJECT TO THE RULES OF A CLEARING ORGANIZATION.—In the event that a conservator or receiver transfers any qualified financial contract and related claims, property, and credit enhancements pursuant to subparagraph (B)(i) and such contract is cleared by or subject to the rules of a clearing organization, the clearing organization shall not be required to accept the transferee as a member by virtue of the transfer.

“(10) NOTIFICATION OF TRANSFER.—

“(A) DEFINITION OF BUSINESS DAY.—In this paragraph, the term ‘business day’ means any day other than any Saturday, Sunday, or any day on which either the New York Stock Exchange or the Federal Reserve Bank of New York is closed.

“(B) NOTIFICATION.—If—

“(i) the conservator or receiver for a System institution in default makes any transfer of the assets and liabilities of such System institution; and

“(ii) the transfer includes any qualified financial contract, the conservator or receiver shall notify any person who is a party to any such contract of such transfer by 5:00 p.m. (eastern time) on the business day following the date of the appointment of the receiver in the case of a receivership, or the business day following such transfer in the case of a conservatorship.

“(C) CERTAIN RIGHTS NOT ENFORCEABLE.—

“(i) RECEIVERSHIP.—A person who is a party to a qualified financial contract with a System institution may not exercise any right that such person has to terminate, liquidate, or net such contract under paragraph (8)(B) of this subsection, solely by reason of or incidental to the appointment of a receiver for the System institution (or the insolvency or financial condition of the System institution for which the receiver has been appointed)—

“(I) until 5:00 p.m. (eastern time) on the business day following the date of the appointment of the receiver; or

“(II) after the person has received notice that the contract has been transferred pursuant to paragraph (9)(B).

“(ii) CONSERVATORSHIP.—A person who is a party to a qualified financial contract with a System institution may not exercise any right that such person has to terminate, liquidate, or net such contract under paragraph (8)(E) of this subsection, solely by reason of or incidental to the appointment of a conservator for the System institution (or the insolvency or financial condition of the System institution for which the conservator has been appointed).

“(iii) NOTICE.—For purposes of this paragraph, the Corporation as receiver or conservator of a System institution shall be deemed to have notified a person who is a party to a qualified financial contract with such System institution if the Corporation has taken

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steps reasonably calculated to provide notice to such person by the time specified in subparagraph (B).

“(D) TREATMENT OF BRIDGE SYSTEM INSTITUTIONS.—The following System institutions shall not be considered to be a financial institution for which a conservator, receiver, trustee in bankruptcy, or other legal custodian has been appointed or which is otherwise the subject of a bankruptcy or insolvency proceeding for purposes of paragraph (9):

“(i) A bridge System bank.

“(ii) A System institution organized by the Corporation or the Farm Credit Administration, for which a conservator is appointed either—

“(I) immediately upon the organization of the System institution; or

“(II) at the time of a purchase and assumption transaction between the System institution and the Corporation as receiver for a System institution in default.

“(11) DISAFFIRMANCE OR REPUDIATION OF QUALIFIED FINANCIAL CONTRACTS.—In exercising the rights of disaffirmance or repudiation of a conservator or receiver with respect to any qualified financial contract to which a System institution is a party, the conservator or receiver for such System institution shall either—

“(A) disaffirm or repudiate all qualified financial contracts between—

“(i) any person or any affiliate of such person; and

“(ii) the System institution in default; or

“(B) disaffirm or repudiate none of the qualified financial contracts referred to in subparagraph (A) (with respect to such person or any affiliate of such person).

“(12) CERTAIN SECURITY INTERESTS NOT AVOIDABLE.—No provision of this subsection shall be construed as permitting the avoidance of any legally enforceable or perfected security interest in any of the assets of any System institution except where such an interest is taken in contemplation of the System institution’s insolvency or with the intent to hinder, delay, or defraud the System institution or the creditors of such System institution.

“(13) AUTHORITY TO ENFORCE CONTRACTS.—

“(A) IN GENERAL.—The conservator or receiver may enforce any contract, other than a director’s or officer’s liability insurance contract or a System institution bond, entered into by the System institution notwithstanding any provision of the contract providing for termination, default, acceleration, or exercise of rights upon, or solely by reason of, insolvency or the appointment of or the exercise of rights or powers by a conservator or receiver.

“(B) CERTAIN RIGHTS NOT AFFECTED.—No provision of this paragraph may be construed as impairing or affecting any right of the conservator or receiver to enforce or recover under a director’s or officer’s liability insurance contract or institution bond under other applicable law.

“(C) CONSENT REQUIREMENT.—

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“(i) IN GENERAL.—Except as otherwise provided by this section, no person may exercise any right or power to terminate, accelerate, or declare a default under any contract to which the System institution is a party, or to obtain possession of or exercise control over any property of the System institution or affect any contractual rights of the System institution, without the consent of the conservator or receiver, as appropriate, during the 45-day period beginning on the date of the appointment of the conservator, or during the 90-day period beginning on the date of the appointment of the receiver, as applicable.

“(ii) CERTAIN EXCEPTIONS.—No provision of this subparagraph shall apply to a director or officer liability insurance contract or an institution bond, to the rights of parties to certain qualified financial contracts pursuant to paragraph (8), or shall be construed as permitting the conservator or receiver to fail to comply with otherwise enforceable provisions of such contract.

“(14) EXCEPTION FOR FEDERAL RESERVE AND THE UNITED STATES TREASURY.—No provision of this subsection shall apply with respect to—

“(A) any extension of credit from any Federal Reserve bank or the United States Treasury to any System institution; or

“(B) any security interest in the assets of the System institution securing any such extension of credit.

“(15) SAVINGS CLAUSE.—The meanings of terms used in this subsection—

“(A) are applicable for purposes of this subsection only; and

“(B) shall not be construed or applied so as to challenge or affect the characterization, definition, or treatment of any similar terms under any other law, regulation, or rule, including—

“(i) the Gramm-Leach-Bliley Act (12 U.S.C. 1811 note; Public Law 106–102);

“(ii) the Legal Certainty for Bank Products Act of 2000 (7 U.S.C. 27 et seq.);

“(iii) the securities laws (as that term is defined in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a))); and

“(iv) the Commodity Exchange Act (7 U.S.C. 1 et seq.).

“(d) VALUATION OF CLAIMS IN DEFAULT.—

“(1) IN GENERAL.—Notwithstanding any other provision of Federal law or the law of any State and regardless of the method which the Corporation determines to utilize with respect to a System institution in default or in danger of default, including transactions authorized under subsection (h) and section 5.61(a), this subsection shall govern the rights of the creditors of such System institution.

“(2) MAXIMUM LIABILITY.—The maximum liability of the Corporation, acting as receiver or in any other capacity, to any person having a claim against the receiver or the System institution for which such receiver is appointed shall equal

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the amount such claimant would have received if the Corporation had liquidated the assets and liabilities of such System institution without exercising the Corporation's authority under subsection (h) or section 5.61(a).

“(3) ADDITIONAL PAYMENTS AUTHORIZED.—

“(A) IN GENERAL.—The Corporation may, in its discretion and in the interests of minimizing its losses, use its own resources to make additional payments or credit additional amounts to or with respect to or for the account of any claimant or category of claimants. Notwithstanding any other provision of Federal or State law, or the constitution of any State, the Corporation shall not be obligated, as a result of having made any such payment or credited any such amount to or with respect to or for the account of any claimant or category of claimants, to make payments to any other claimant or category of claimants.

“(B) MANNER OF PAYMENT.—The Corporation may make the payments or credit the amounts specified in subparagraph (A) directly to the claimants or may make such payments or credit such amounts to an open System institution to induce such System institution to accept liability for such claims.

“(e) LIMITATION ON COURT ACTION.—Except as provided in this section, no court may take any action, except at the written request of the Board of Directors, to restrain or affect the exercise of powers or functions of the Corporation as a conservator or a receiver.

“(f) LIABILITY OF DIRECTORS AND OFFICERS.—

“(1) IN GENERAL.—A director or officer of a System institution may be held personally liable for monetary damages in any civil action—

“(A) brought by, on behalf of, or at the request or direction of the Corporation;

“(B) prosecuted wholly or partially for the benefit of the Corporation—

“(i) acting as conservator or receiver of that System institution;

“(ii) acting based on a suit, claim, or cause of action purchased from, assigned by, or otherwise conveyed by that receiver or conservator; or

“(iii) acting based on a suit, claim, or cause of action purchased from, assigned by, or otherwise conveyed in whole or in part by a System institution or an affiliate of a System institution in connection with assistance provided under section 5.61(a); and

“(C) for, as determined under the applicable State law—

“(i) gross negligence; or

“(ii) any similar conduct, including conduct that demonstrates a greater disregard of a duty of care than gross negligence, such as intentional tortious conduct.

“(2) EFFECT.—Nothing in paragraph (1) impairs or affects any right of the Corporation under any other applicable law.

“(g) DAMAGES.—In any proceeding related to any claim against a System institution's director, officer, employee, agent, attorney, accountant, appraiser, or any other party employed by or providing



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services to a System institution, recoverable damages determined to result from the improvident or otherwise improper use or investment of any System institution's assets shall include principal losses and appropriate interest.

“(h) BRIDGE FARM CREDIT SYSTEM BANKS.—

“(1) ORGANIZATION.—

“(A) PURPOSE.—

“(i) IN GENERAL.—When 1 or more System banks are in default, or when the Corporation anticipates that 1 or more System banks may become in default, the Corporation may, in its discretion, organize, and the Farm Credit Administration may, in its discretion, charter, 1 or more System banks, with the powers and attributes of System banks, subject to the provisions of this subsection, to be referred to as ‘bridge System banks’.

“(ii) INTENT OF CONGRESS.—It is the intent of the Congress that, in order to prevent unnecessary hardship or losses to the customers of any System bank in default with respect to which a bridge System bank is chartered, the Corporation should—

“(I) continue to honor commitments made by the System bank in default to creditworthy customers; and

“(II) not interrupt or terminate adequately secured loans which are transferred under this subsection and are being repaid by the debtor in accordance with the terms of the loan instrument.

“(B) AUTHORITIES.—Once chartered by the Farm Credit Administration, the bridge System bank may—

“(i) assume such liabilities of the System bank or banks in default or in danger of default as the Corporation may, in its discretion, determine to be appropriate;

“(ii) purchase such assets of the System bank or banks in default or in danger of default as the Corporation may, in its discretion, determine to be appropriate; and

“(iii) perform any other temporary function which the Corporation may, in its discretion, prescribe in accordance with this Act.

“(C) ARTICLES OF ASSOCIATION.—The articles of association and organization certificate of a bridge System bank as approved by the Corporation shall be executed by 3 representatives designated by the Corporation.

“(D) INTERIM DIRECTORS.—A bridge System bank shall have an interim board of directors consisting of not fewer than 5 nor more than 10 members appointed by the Corporation.

“(2) CHARTERING.—

“(A) CONDITIONS.—The Farm Credit Administration may charter a bridge System bank only if the Board of Directors determines that—

“(i) the amount which is reasonably necessary to operate such bridge System bank will not exceed the amount which is reasonably necessary to save the cost of liquidating 1 or more System banks in default or

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in danger of default with respect to which the bridge System bank is chartered;

“(ii) the continued operation of such System bank or banks in default or in danger of default with respect to which the bridge System bank is chartered is essential to provide adequate farm credit services in the 1 or more communities where each such System bank in default or in danger of default is or was providing those farm credit services; or

“(iii) the continued operation of such System bank or banks in default or in danger of default with respect to which the bridge System bank is chartered is in the best interest of the Farm Credit System or the public.

“(B) BRIDGE SYSTEM BANK TREATED AS BEING IN DEFAULT FOR CERTAIN PURPOSES.—A bridge System bank shall be treated as being in default at such times and for such purposes as the Corporation may, in its discretion, determine.

“(C) MANAGEMENT.—A bridge System bank, upon the granting of its charter, shall be under the management of a board of directors consisting of not fewer than 5 nor more than 10 members appointed by the Corporation, in consultation with the Farm Credit Administration.

“(D) BYLAWS.—The board of directors of a bridge System bank shall adopt such bylaws as may be approved by the Corporation.

“(3) TRANSFER OF ASSETS AND LIABILITIES.—

“(A) TRANSFER UPON GRANT OF CHARTER.—Upon the granting of a charter to a bridge System bank pursuant to this subsection, the Corporation, as receiver, may transfer any assets and liabilities of the System bank to the bridge System bank in accordance with paragraph (1).

“(B) SUBSEQUENT TRANSFERS.—At any time after a charter is granted to a bridge System bank, the Corporation, as receiver, may transfer any assets and liabilities of such System bank in default as the Corporation may, in its discretion, determine to be appropriate in accordance with paragraph (1).

“(C) EFFECTIVE WITHOUT APPROVAL.—The transfer of any assets or liabilities of a System bank in default or danger of default transferred to a bridge System bank shall be effective without any further approval under Federal or State law, assignment, or consent with respect thereto.

“(4) POWERS OF BRIDGE SYSTEM BANKS.—Each bridge System bank chartered under this subsection shall, to the extent described in the charter of the System bank in default with respect to which the bridge System bank is chartered, have all corporate powers of, and be subject to the same provisions of law as, any System bank, except that—

“(A) the Corporation may—

“(i) remove the interim directors and directors of a bridge System bank;

“(ii) fix the compensation of members of the interim board of directors and the board of directors and senior

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management, as determined by the Corporation in its discretion, of a bridge System bank; and

“(iii) waive any requirement established under Federal or State law which would otherwise be applicable with respect to directors of a bridge System bank, on the condition that the waiver of any requirement established by the Farm Credit Administration shall require the concurrence of the Farm Credit Administration;

“(B) the Corporation may indemnify the representatives for purposes of paragraph (1)(B) and the interim directors, directors, officers, employees, and agents of a bridge System bank on such terms as the Corporation determines to be appropriate;

“(C) no requirement under any provision of law relating to the capital of a System institution shall apply with respect to a bridge System bank;

“(D) the Farm Credit Administration Board may establish a limitation on the extent to which any person may become indebted to a bridge System bank without regard to the amount of the bridge System bank’s capital or surplus;

“(E)(i) the board of directors of a bridge System bank shall elect a chairperson who may also serve in the position of chief executive officer, except that such person shall not serve either as chairperson or as chief executive officer without the prior approval of the Corporation; and

“(ii) the board of directors of a bridge System bank may appoint a chief executive officer who is not also the chairperson, except that such person shall not serve as chief executive officer without the prior approval of the Corporation;

“(F) the Farm Credit Administration may waive any requirement for a fidelity bond with respect to a bridge System bank at the request of the Corporation;

“(G) any judicial action to which a bridge System bank becomes a party by virtue of its acquisition of any assets or assumption of any liabilities of a System bank in default shall be stayed from further proceedings for a period of up to 45 days at the request of the bridge System bank;

“(H) no agreement which tends to diminish or defeat the right, title or interest of a bridge System bank in any asset of a System bank in default acquired by it shall be valid against the bridge System bank unless such agreement—

“(i) is in writing;

“(ii) was executed by such System bank in default and the person or persons claiming an adverse interest thereunder, including the obligor, contemporaneously with the acquisition of the asset by such System bank in default;

“(iii) was approved by the board of directors of such System bank in default or its loan committee, which approval shall be reflected in the minutes of said board or committee; and

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“(iv) has been, continuously from the time of its execution, an official record of such System bank in default;

“(I) notwithstanding subsection 5.61(d)(2), any agreement relating to an extension of credit between a System bank, Federal Reserve bank, or the United States Treasury and any System institution which was executed before the extension of credit by such lender to such System institution shall be treated as having been executed contemporaneously with such extension of credit for purposes of subparagraph (H); and

“(J) except with the prior approval of the Corporation and the concurrence of the Farm Credit Administration, a bridge System bank may not, in any transaction or series of transactions, issue capital stock or be a party to any merger, consolidation, disposition of substantially all of the assets or liabilities of the bridge System bank, sale or exchange of capital stock, or similar transaction, or change its charter.

“(5) CAPITAL.—

“(A) NO CAPITAL REQUIRED.—The Corporation shall not be required to—

“(i) issue any capital stock on behalf of a bridge System bank chartered under this subsection; or

“(ii) purchase any capital stock of a bridge System bank, except that notwithstanding any other provision of Federal or State law, the Corporation may purchase and retain capital stock of a bridge System bank in such amounts and on such terms as the Corporation, in its discretion, determines to be appropriate.

“(B) OPERATING FUNDS IN LIEU OF CAPITAL.—Upon the organization of a bridge System bank, and thereafter, as the Corporation may, in its discretion, determine to be necessary or advisable, the Corporation may make available to the bridge System bank, upon such terms and conditions and in such form and amounts as the Corporation may in its discretion determine, funds for the operation of the bridge System bank in lieu of capital.

“(C) AUTHORITY TO ISSUE CAPITAL STOCK.—Whenever the Farm Credit Administration Board determines it is advisable to do so, the Corporation shall cause capital stock of a bridge System bank to be issued and offered for sale in such amounts and on such terms and conditions as the Corporation may, in its discretion, determine.

“(6) EMPLOYEE STATUS.—Representatives for purposes of paragraph (1)(C), interim directors, directors, officers, employees, or agents of a bridge System bank are not, solely by virtue of service in any such capacity, officers or employees of the United States. Any employee of the Corporation, the Farm Credit Administration, or any Federal instrumentality who serves at the request of the Corporation as a representative for purposes of paragraph (1)(C), interim director, director, officer, employee, or agent of a bridge System bank shall not—

“(A) solely by virtue of service in any such capacity lose any existing status as an officer or employee of the United States for purposes of any provision of law; or

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“(B) receive any salary or benefits for service in any such capacity with respect to a bridge System bank in addition to such salary or benefits as are obtained through employment with the Corporation or such Federal instrumentality.

“(7) ASSISTANCE AUTHORIZED.—The Corporation may, in its discretion, provide assistance under section 5.61(a) to facilitate any merger or consolidation of a bridge System bank in the same manner and to the same extent as such assistance may be provided to a qualifying insured System bank (as defined in section 5.61(a)(2)(B)) or to facilitate a bridge System bank’s acquisition of any assets or the assumption of any liabilities of a System bank in default or in danger of default.

“(8) DURATION OF BRIDGE SYSTEM BANKS.—Subject to paragraphs (10) and (11), the status of a bridge System bank as such shall terminate at the end of the 2-year period following the date it was granted a charter. The Farm Credit Administration Board may, in its discretion, extend the status of the bridge System bank as such for 3 additional 1-year periods.

“(9) TERMINATION OF BRIDGE SYSTEM BANKS STATUS.—The status of any bridge System bank as such shall terminate upon the earliest of—

“(A) the merger or consolidation of the bridge System bank with a System institution that is not a bridge System bank, on the condition that the merger or consolidation shall be subject to the approval of the Farm Credit Administration;

“(B) at the election of the Corporation and with the approval of the Farm Credit Administration, the sale of a majority or all of the capital stock of the bridge System bank to a System institution or another bridge System bank;

“(C) at the election of the Corporation, and with the approval of the Farm Credit Administration, either the assumption of all or substantially all of the liabilities of the bridge System bank, or the acquisition of all or substantially all of the assets of the bridge System bank, by a System institution that is not a bridge System bank or other entity as permitted under applicable law; and

“(D) the expiration of the period provided in paragraph (8), or the earlier dissolution of the bridge System bank as provided in paragraph (11).

“(10) EFFECT OF TERMINATION EVENTS.—

“(A) MERGER OR CONSOLIDATION.—A bridge System bank that participates in a merger or consolidation as provided in paragraph (9)(A) shall be for all purposes a System institution, with all the rights, powers, and privileges thereof, and such merger or consolidation shall be conducted in accordance with, and shall have the effect provided in, the provisions of applicable law.

“(B) CHARTER CONVERSION.—Following the sale of a majority or all of the capital stock of the bridge System bank as provided in paragraph (9)(B), the Farm Credit Administration Board may amend the charter of the bridge System bank to reflect the termination of the status of the bridge System bank as such, whereupon the System bank shall remain a System bank, with all of the rights,

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powers, and privileges thereof, subject to all laws and regulations applicable thereto.

“(C) ASSUMPTION OF LIABILITIES AND SALE OF ASSETS.—Following the assumption of all or substantially all of the liabilities of the bridge System bank, or the sale of all or substantially all of the assets of the bridge System bank, as provided in paragraph (9)(C), at the election of the Corporation, the bridge System bank may retain its status as such for the period provided in paragraph (8).

“(D) AMENDMENTS TO CHARTER.—Following the consummation of a transaction described in subparagraph (A), (B), or (C) of paragraph (9), the charter of the resulting System institution shall be amended by the Farm Credit Administration to reflect the termination of bridge System bank status, if appropriate.

“(11) DISSOLUTION OF BRIDGE SYSTEM BANK.—

“(A) IN GENERAL.—Notwithstanding any other provision of State or Federal law, if the bridge System bank’s status as such has not previously been terminated by the occurrence of an event specified in subparagraph (A), (B), or (C) of paragraph (9)—

“(i) the Corporation, after consultation with the Farm Credit Administration, may, in its discretion, dissolve a bridge System bank in accordance with this paragraph at any time; and

“(ii) the Corporation, after consultation with the Farm Credit Administration, shall promptly commence dissolution proceedings in accordance with this paragraph upon the expiration of the 2-year period following the date the bridge System bank was chartered, or any extension thereof, as provided in paragraph (8).

“(B) PROCEDURES.—The Farm Credit Administration Board shall appoint the Corporation as receiver for a bridge System bank upon determining to dissolve the bridge System bank. The Corporation as such receiver shall wind up the affairs of the bridge System bank in conformity with the provisions of law relating to the liquidation of closed System banks. With respect to any such bridge System bank, the Corporation as such receiver shall have all the rights, powers, and privileges and shall perform the duties related to the exercise of such rights, powers, or privileges granted by law to a receiver of any insured System bank and, notwithstanding any other provision of law in the exercise of such rights, powers, and privileges, the Corporation shall not be subject to the direction or supervision of any State agency or other Federal agency.

“(12) MULTIPLE BRIDGE SYSTEM BANKS.—The Corporation may, in the Corporation’s discretion, organize, and the Farm Credit Administration may, in its discretion, charter, 2 or more bridge System banks under this subsection to assume any liabilities and purchase any assets of a single System institution in default.

“(i) CERTAIN SALES OF ASSETS PROHIBITED.—

“(1) PERSONS WHO ENGAGED IN IMPROPER CONDUCT WITH, OR CAUSED LOSSES TO, SYSTEM INSTITUTIONS.—The Corporation shall prescribe regulations which, at a minimum, shall prohibit



the sale of assets of a failed System institution by the Corporation to—

“(A) any person who—

“(i) has defaulted, or was a member of a partnership or an officer or director of a corporation that has defaulted, on 1 or more obligations the aggregate amount of which exceed \$1,000,000, to such failed System institution;

“(ii) has been found to have engaged in fraudulent activity in connection with any obligation referred to in clause (i); and

“(iii) proposes to purchase any such asset in whole or in part through the use of the proceeds of a loan or advance of credit from the Corporation or from any System institution for which the Corporation has been appointed as conservator or receiver;

“(B) any person who participated, as an officer or director of such failed System institution or of any affiliate of such System institution, in a material way in transactions that resulted in a substantial loss to such failed System institution;

“(C) any person who has been removed from, or prohibited from participating in the affairs of, such failed System institution pursuant to any final enforcement action by the Farm Credit Administration;

“(D) any person who has demonstrated a pattern or practice of defalcation regarding obligations to such failed System institution; or

“(E) any person who is in default on any loan or other extension of credit from such failed System institution which, if not paid, will cause substantial loss to the System institution or the Corporation.

“(2) DEFAULTED DEBTORS.—Except as provided in paragraph (3), any person who is in default on any loan or other extension of credit from the System institution, which, if not paid, will cause substantial loss to the System institution or the Corporation, may not purchase any asset from the conservator or receiver.

“(3) SETTLEMENT OF CLAIMS.—Paragraph (1) shall not apply to the sale or transfer by the Corporation of any asset of any System institution to any person if the sale or transfer of the asset resolves or settles, or is part of the resolution or settlement, of—

“(A) 1 or more claims that have been, or could have been, asserted by the Corporation against the person; or

“(B) obligations owed by the person to any System institution, or the Corporation.

“(4) DEFINITION OF DEFAULT.—For purposes of this subsection, the term ‘default’ means a failure to comply with the terms of a loan or other obligation to such an extent that the property securing the obligation is foreclosed upon.

“(j) EXPEDITED PROCEDURES FOR CERTAIN CLAIMS.—

“(1) TIME FOR FILING NOTICE OF APPEAL.—The notice of appeal of any order, whether interlocutory or final, entered in any case brought by the Corporation against a System institution’s director, officer, employee, agent, attorney, accountant, or appraiser or any other person employed by or

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providing services to a System institution shall be filed not later than 30 days after the date of entry of the order. The hearing of the appeal shall be held not later than 120 days after the date of the notice of appeal. The appeal shall be decided not later than 180 days after the date of the notice of appeal.

“(2) SCHEDULING.—A court of the United States shall expedite the consideration of any case brought by the Corporation against a System institution’s director, officer, employee, agent, attorney, accountant, or appraiser or any other person employed by or providing services to a System institution. As far as practicable the court shall give such case priority on its docket.

“(3) JUDICIAL DISCRETION.—The court may modify the schedule and limitations stated in paragraphs (1) and (2) in a particular case, based on a specific finding that the ends of justice that would be served by making such a modification would outweigh the best interest of the public in having the case resolved expeditiously.

“(k) BOND NOT REQUIRED; AGENTS; FEE.—The Corporation as conservator or receiver of a System institution shall not be required to furnish bond and may appoint an agent or agents to assist in its duties as such conservator or receiver. All fees, compensation, and expenses of liquidation and administration shall be fixed by the Corporation and may be paid by it out of funds coming into its possession as such conservator or receiver.

“(l) CONSULTATION REGARDING CONSERVATORSHIPS AND RECEIVERSHIPS.—To the extent practicable—

“(1) the Farm Credit Administration shall consult with the Corporation prior to taking a preresolution action concerning a System institution that may result in a conservatorship or receivership; and

“(2) the Corporation, acting in the capacity of the Corporation as a conservator or receiver, shall consult with the Farm Credit Administration prior to taking any significant action impacting System institutions or service to System borrowers.

“(m) APPLICABILITY.—This section shall become applicable with respect to the power of the Corporation to act as a conservator or receiver on the date on which the Farm Credit Administration appoints the Corporation as a conservator or receiver under section 4.12 or 8.41.”.

7 USC 2008w.

**SEC. 5413. REPORTING.**

(a) DEFINITION OF FARM LOAN.—In this section, the term “farm loan” means—

(1) a farm ownership loan under subtitle A of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922 et seq.); and

(2) an operating loan under subtitle B of that Act (7 U.S.C. 1941 et seq.).

(b) REPORTS.—

(1) PREPARATION.—For each fiscal year, the Secretary shall prepare a report that includes—

(A) aggregate data based on a review of each outstanding farm loan made or guaranteed by the Secretary describing, for the United States and for each State and county in the United States—

(i) the age of the recipient producer;

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- (ii) the duration that the recipient producer has engaged in agricultural production;
- (iii) the size of the farm or ranch of the recipient producer;
- (iv) the race, ethnicity, and gender of the recipient producer;
- (v) the agricultural commodity or commodities, or type of enterprise, for which the loan was secured;
- (vi) the amount of the farm loan made or guaranteed;
- (vii) the type of the farm loan made or guaranteed; and
- (viii) the default rate of the farm loan made or guaranteed;

(B) for each State and county in the United States, data demonstrating the number of outstanding farm loans made or guaranteed, according to loan size cohort; and

(C) an assessment of actual loans made or guaranteed as measured against target participation rates for beginning and socially disadvantaged farmers, broken down by State, as described in sections 346(b)(2) and 355 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1994(b)(2), 2003).

(2) SUBMISSION OF REPORT.—The report described in paragraph (1) shall be—

(A) submitted—

(i) to—

(I) the Committee on Agriculture of the House of Representatives;

(II) the Committee on Appropriations of the House of Representatives;

(III) the Committee on Agriculture, Nutrition, and Forestry of the Senate; and

(IV) the Committee on Appropriations of the Senate; and

(ii) not later than December 30, 2019, and annually thereafter; and

(B) made publicly available not later than 90 days after the date described in subparagraph (A)(ii).

(c) COMPREHENSIVE REVIEW.—

(1) IN GENERAL.—Not later than 4 years after the date of enactment of this Act (and every 5 years thereafter), the Secretary shall—

(A) prepare a comprehensive review of all reports submitted under subsection (b)(2);

(B) identify trends within data outlined in subsection (b)(1), including the extent to which target annual participation rates for beginning and socially disadvantaged farmers (as defined by the Secretary) are being met for each loan type; and

(C) provide specific actions the Department will take to improve the performance of direct and guaranteed loans with respect to underserved producers and any recommendations the Secretary may make for further congressional action.

(2) SUBMISSION OF COMPREHENSIVE REVIEW.—The comprehensive review described in paragraph (1) shall be—

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(A) submitted to—

(i) the Committee on Agriculture of the House of Representatives;

(ii) the Committee on Appropriations of the House of Representatives;

(iii) the Committee on Agriculture, Nutrition, and Forestry of the Senate; and

(iv) the Committee on Appropriations of the Senate; and

(B) made publicly available not later than 90 days after the date of submission under subparagraph (A).

(d) PRIVACY.—In preparing any report or review under this section, the Secretary shall aggregate or de-identify the data in a manner sufficient to ensure that the identity of a recipient producer associated with the data cannot be ascertained.

**SEC. 5414. STUDY ON LOAN RISK.**

(a) STUDY.—The Farm Credit Administration shall conduct a study that—

(1) analyzes and compares the financial risks inherent in loans made, held, securitized, or purchased by Farm Credit banks, associations, and the Federal Agricultural Mortgage Corporation and how such risks are required to be capitalized under statute and regulations in effect as of the date of the enactment of this Act; and

(2) assesses the feasibility of increasing the acreage exception provided in section 8.8(c)(2) of the Farm Credit Act of 1971 to 2,000 acres.

(b) TIMELINE.—The Farm Credit Administration shall provide the results of the study required by subsection (a) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate no later than 180 days after the date of the enactment of this Act.

**SEC. 5415. GAO REPORT ON ABILITY OF THE FARM CREDIT SYSTEM TO MEET THE AGRICULTURAL CREDIT NEEDS OF INDIAN TRIBES AND THEIR MEMBERS.**

(a) IN GENERAL.—The Comptroller General of the United States shall—

(1) study the agricultural credit needs of farms, ranches, and related agricultural businesses that are owned or operated by—

(A) Indian tribes on tribal lands; or

(B) enrolled members of Indian tribes on Indian allotments; and

(2) determine whether the institutions of the Farm Credit System have sufficient authority and resources to meet the needs.

(b) DEFINITION OF INDIAN TRIBE.—In subsection (a), the term “Indian tribe” means an Indian tribal entity that is eligible for funding and services from the Bureau of Indian Affairs by virtue of the status of the entity as an Indian tribe.

(c) REPORT TO THE CONGRESS.—Within 90 days after the date of the enactment of this Act, the Comptroller General of the United States shall prepare and submit to the Committees on Agriculture and on Natural Resources of the House of Representatives a written report that contains the findings of the study conducted under subsection (a). If the Comptroller General finds that the institutions

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of the Farm Credit System do not have sufficient authority or resources to meet the needs referred to in subsection (a), the report shall include such legislative and other recommendations as the Comptroller General determines would result in a system under which the needs are met in an equitable and effective manner.

**SEC. 5416. GAO REPORT ON CREDIT SERVICE TO SOCIALLY DISADVANTAGED FARMERS AND RANCHERS.**

(a) DEFINITIONS.—In this section:

(1) AGRICULTURAL CREDIT PROVIDER.—The term “agricultural credit provider” means—

- (A) a Farm Credit System institution;
- (B) a commercial bank;
- (C) the Federal Agricultural Mortgage Corporation;
- (D) a life insurance company; and
- (E) any other individual or entity, as determined by the Comptroller General of the United States.

(2) SOCIALLY DISADVANTAGED FARMER OR RANCHER.—The term “socially disadvantaged farmer or rancher” has the meaning given the term in section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e)).

(b) STUDY.—The Comptroller General of the United States shall—

(1) conduct a study—

(A) to assess the credit and related services provided by agricultural credit providers to socially disadvantaged farmers and ranchers;

(B) to review the overall participation of socially disadvantaged farmers and ranchers in the services described in subparagraph (A); and

(C) to identify barriers that limit the availability of agricultural credit to socially disadvantaged farmers and ranchers; and

(2) provide recommendations on how agricultural credit providers may improve outreach to socially disadvantaged farmers and ranchers relating to the availability of credit and related services.

(c) REPORT.—Not later than 120 days after the date of enactment of this Act, the Comptroller General of the United States shall prepare and submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that contains the findings of the study conducted under subsection (b)(1) and the recommendations described in subsection (b)(2).

## **TITLE VI—RURAL DEVELOPMENT**

### **Subtitle A—Improving Health Outcomes in Rural America**

**SEC. 6101. COMBATING SUBSTANCE USE DISORDER IN RURAL AMERICA; PRIORITIZATIONS.**

(a) COMBATING SUBSTANCE USE DISORDER IN RURAL AMERICA.—

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(1) **PRIORITIZATIONS.**—The Secretary shall make the following prioritizations and set asides for fiscal years 2019 through 2025:

(A) **DISTANCE LEARNING AND TELEMEDICINE.**—

(i) **SUBSTANCE USE DISORDER SET-ASIDE.**—Subject to clause (ii), the Secretary shall make available not less than 20 percent of amounts made available under section 2335A of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 950aaa-2) for financial assistance under chapter 1 of subtitle D of title XXIII of such Act for telemedicine projects that provide substance use disorder treatment services.

(ii) **EXCEPTION.**—In the case of a fiscal year for which the Secretary determines that there are not sufficient qualified applicants to receive financial assistance for projects providing substance use disorder treatment services to reach the 20-percent requirement under clause (i), the Secretary may make available less than 20 percent of amounts made available under such section 2335A for those services.

(B) **COMMUNITY FACILITIES DIRECT LOANS AND GRANTS.**—

(i) **SUBSTANCE USE DISORDER SELECTION PRIORITY.**—In selecting recipients of direct loans or grants for the development of essential community facilities under section 306(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)), the Secretary shall give priority to entities eligible for those direct loans or grants—

(I) to develop facilities to provide substance use disorder (including opioid substance use disorder)—

(aa) prevention services;

(bb) treatment services;

(cc) recovery services; or

(dd) any combination of those services;

and

(II) that employ staff that have appropriate expertise and training in how to identify and treat individuals with substance use disorders.

(ii) **USE OF FUNDS.**—An eligible entity described in clause (i) that receives a direct loan or grant described in that clause may use the direct loan or grant funds for the development of telehealth facilities and systems to provide telehealth services for substance use disorder treatment.

(C) **RURAL HEALTH AND SAFETY EDUCATION PROGRAMS; SUBSTANCE USE DISORDER SELECTION PRIORITY.**—In making grants under section 502(i) of the Rural Development Act of 1972 (7 U.S.C. 2662(i)), the Secretary shall give priority to an applicant that will use the grant for substance use disorder education and treatment and the prevention of substance use disorder.

(2) **LIMITATION ON OTHER REPRIORITIZATIONS.**—For fiscal years 2019 through 2025, the Secretary shall not make any national reprioritizations within the Rural Health and Safety Education Programs, the Community Facilities direct loan and



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grant programs, or the Distance Learning and Telemedicine programs under section 608 of the Rural Development Act of 1972.

(3) TECHNICAL AMENDMENTS.—Title V of the Rural Development Act of 1972 (7 U.S.C. 2661 et seq.) is amended—

(A) in section 502, in the matter preceding subsection (a), by inserting “(referred to in this title as the ‘Secretary’)” after “Agriculture”; and

(B) by striking “Secretary of Agriculture” each place it appears (other than in section 502 in the matter preceding subsection (a)) and inserting “Secretary”.

(b) TEMPORARY PRIORITIZATION OF RURAL HEALTH ASSISTANCE.—Title VI of the Rural Development Act of 1972 (7 U.S.C. 2204a–2204b) is amended by adding at the end the following:

**“SEC. 608. TEMPORARY PRIORITIZATION OF RURAL HEALTH ASSISTANCE.** 7 USC 2204b–2.

“(a) AUTHORITY TO TEMPORARILY PRIORITIZE CERTAIN RURAL DEVELOPMENT APPLICATIONS.—Notwithstanding any other provision of law, the Secretary, after consultation with such public health officials as may be necessary, may announce through a Federal Register notice pursuant to section 553(b)(3)(B) of title 5, United States Code, a temporary reprioritization, on a national or multistate basis, for certain rural development loan and grant applications to assist rural communities in responding to a significant public health disruption.

“(b) PUBLIC HEALTH DISRUPTION.—For the purposes of this section, the term ‘public health disruption’ means an unanticipated increase in mortality or morbidity in rural communities, when compared to non-rural communities, caused by identifiable events, actions, or behavioral trends, which can be remediated by the programs of the Rural Development mission area. When measuring a public health disruption, the Secretary may analyze data on a national or multi-state basis.

“(c) CONTENT OF ANNOUNCEMENT.—In the announcement, the Secretary shall—

“(1) describe the nature of the public health disruption, including the causes, effects, affected populations, and affected States;

“(2) explain how the programs of the Department of Agriculture will work in remedying the public health disruption;

“(3) identify the services, treatments, or infrastructure best suited to address the public health disruption;

“(4) establish—

“(A) the start and end dates of the reprioritization;

“(B) the programs subject to reprioritization and the modifications to the application process;

“(C) the process for making reprioritizations for applicable programs;

“(D) the amount of funds set-aside for applicable programs, except that a set-aside for such a program shall not be greater than 20 percent of the amounts appropriated for the program for the fiscal year involved; and

“(E) the region in which the reprioritization is in effect; and

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“(5) instruct program administrators to implement the reprioritization during the application window or announcement after the announcement takes effect.

“(d) LIMITATIONS ON REPRIORITIZATIONS.—When announcing the reprioritization, the Secretary shall—

“(1) establish an initial total time period of less than 4 years, except as provided for in subsection (e);

“(2) implement only 1 nationally applicable reprioritization at a time;

“(3) implement only 1 regionally applicable reprioritization per State at a time; and

“(4) not use reprioritizations to allocate additional funds to an affected State.

“(e) EXTENSION.—The Secretary may extend an announcement under subsection (a) for no more than 6 years in total, except that nothing shall prevent the Secretary from renewing reprioritizations by making a new announcement under subsection (a).

“(f) RESCINDING THE ANNOUNCEMENT.—The Secretary may rescind a reprioritization announcement made under subsection (a) at any time the Secretary determines that the temporary reprioritizations are no longer needed or effective.

“(g) NOTICE.—Not later than 48 hours after making, extending, or rescinding an announcement under this section, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, and transmit to the Secretary of Health and Human Services, a written notice of the declaration, extension, or rescission.”.

**SEC. 6102. DISTANCE LEARNING AND TELEMEDICINE.**

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 2335A of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 950aaa–5) is amended by striking “\$75,000,000 for each of fiscal years 2014 through 2018” and inserting “\$82,000,000 for each of fiscal years 2019 through 2023”.

(b) CONFORMING AMENDMENT.—Section 1(b) of Public Law 102–551 (7 U.S.C. 950aaa note) is amended by striking “2018” and inserting “2023”.

**SEC. 6103. REFINANCING OF CERTAIN RURAL HOSPITAL DEBT.**

Subtitle D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981 et seq.) is amended by inserting after section 341 the following:

7 USC 1990a.

**“SEC. 342. REFINANCING OF CERTAIN RURAL HOSPITAL DEBT.**

“Assistance under section 306(a) for a community facility, or under section 310B, may include the refinancing of a debt obligation of a rural hospital as an eligible loan or loan guarantee purpose if the assistance would help preserve access to a health service in a rural community, meaningfully improve the financial position of the hospital, and otherwise meet the financial feasibility and adequacy of security requirements of the Rural Development Agency.”.

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## Subtitle B—Connecting Rural Americans to High Speed Broadband

### SEC. 6201. ACCESS TO BROADBAND TELECOMMUNICATIONS SERVICES IN RURAL AREAS.

Section 601 of the Rural Electrification Act of 1936 (7 U.S.C. 950bb) is amended—

(1) in subsection (a), by striking “provide loans and loan guarantees” and inserting “provide grants, provide loans, and provide loan guarantees”;

(2) in subsection (b)(3)(A)(ii), by inserting “in the case of a grant or direct loan,” before “a city”;

(3) in subsection (c)—

(A) in the subsection heading, by striking “LOANS AND” and inserting “GRANTS, LOANS, AND”;

(B) in paragraph (1), by striking “shall make or guarantee loans” and inserting “shall make grants, shall make loans, and shall guarantee loans”;

(C) by striking paragraph (2) and inserting the following:

“(2) PRIORITY.—

“(A) IN GENERAL.—In making grants, making loans, and guaranteeing loans under paragraph (1), the Secretary shall—

“(i) give the highest priority to applications for projects to provide broadband service to unserved rural communities that do not have any residential broadband service of at least—

“(I) a 10-Mbps downstream transmission capacity; and

“(II) a 1-Mbps upstream transmission capacity;

“(ii) give priority to applications for projects to provide the maximum level of broadband service to the greatest proportion of rural households in the proposed service area identified in the application;

“(iii) provide equal consideration to all eligible entities, including those that have not previously received grants, loans, or loan guarantees under paragraph (1); and

“(iv) with respect to 2 or more applications that are given the same priority under clause (i), give priority to an application that requests less grant funding than loan funding.

“(B) OTHER.—After giving priority to the applications described in clauses (i) and (ii) of subparagraph (A), the Secretary shall then give priority to applications—

“(i) for projects to provide broadband service to rural communities—

“(I) with a population of less than 10,000 permanent residents;

“(II) that are experiencing outmigration and have adopted a strategic community investment plan under section 379H(d) that includes considerations for improving and expanding broadband service;

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“(III) with a high percentage of low income families or persons (as defined in section 501(b) of the Housing Act of 1949 (42 U.S.C. 1471(b));

“(IV) that are isolated from other significant population centers; or

“(V) that provide rapid and expanded deployment of fixed and mobile broadband on cropland and rangeland within a service territory for use in various applications of precision agriculture; and

“(ii) that were developed with the participation of, and will receive a substantial portion of the funding for the project from, 2 or more stakeholders, including—

“(I) State, local, and tribal governments;

“(II) nonprofit institutions;

“(III) community anchor institutions, such as—

“(aa) public libraries;

“(bb) elementary schools and secondary schools (as defined in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801));

“(cc) institutions of higher education; and

“(dd) health care facilities;

“(IV) private entities;

“(V) philanthropic organizations; and

“(VI) cooperatives.

“(3) GRANT AMOUNTS.—

“(A) DEFINITION OF DEVELOPMENT COSTS.—In this paragraph, the term ‘development costs’ means costs of—

“(i) construction, including labor and materials;

“(ii) project applications; and

“(iii) other development activities, as determined by the Secretary.

“(B) ELIGIBILITY.—To be eligible for a grant under this section, in addition to the requirements of subsection (d), the project that is the subject of the grant shall—

“(i) be carried out in a proposed service territory in which not less than 90 percent of the households are unserved; and

“(ii) not concurrently receive any other broadband grant administered by the Rural Utilities Service.

“(C) MAXIMUM.—Except as provided in subparagraph (D), the amount of any grant made under this section shall not exceed—

“(i) 75 percent of the total project cost with respect to an area with a density of fewer than 7 people per square mile;

“(ii) 50 percent of the total project cost with respect to an area with a density of 7 or more and fewer than 12 people per square mile; and

“(iii) 25 percent of the total project cost with respect to an area with a density of 12 or more and 20 or fewer people per square mile.

“(D) SECRETARIAL AUTHORITY TO ADJUST.—The Secretary may—

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“(i) make grants of up to 75 percent of the development costs of the project for which the grant is provided to an eligible entity if the Secretary determines that the project serves—

“(I) an area of rural households described in paragraph (2)(A)(i); or

“(II) a rural community described in any of subclauses (I) through (IV) of paragraph (2)(B)(i); and

“(ii) make modifications of the density thresholds described in subparagraph (C), in order to ensure that funds provided under this section are best utilized to provide broadband service in communities that are the most rural in character.

“(E) APPLICATIONS.—The Secretary shall establish an application process for grants under this section that—

“(i) permits a single application for a grant and a loan under title I, II, or this title that is associated with such grant; and

“(ii) provides a single decision to award such grant and such loan.

“(F) DENSITY DETERMINATIONS.—When determining population density under this section, the Secretary shall prescribe a calculation method which—

“(i) utilizes publicly available data; and

“(ii) includes only those areas in which the applicant is able to meet the service requirements under this section, as determined by the Secretary.

“(4) FEES.—In the case of loan guarantees issued or modified under this section, the Secretary shall charge and collect from the lender fees in such amounts as to bring down the costs of subsidies for guaranteed loans, except that such fees shall not act as a bar to participation in the programs nor be inconsistent with current practices in the marketplace.”;

(4) in subsection (d)—

(A) in paragraph (1)—

(i) in subparagraph (A)—

(I) in the matter preceding clause (i), by striking “loan or” and inserting “grant, loan, or”;

(II) by striking clause (i) and inserting the following:

“(i) demonstrate the ability to furnish or improve service in order to meet the broadband buildout requirements established under subsection (e)(4) in all or part of an unserved or underserved rural area;”.

(III) in clause (ii), by striking “a loan application” and inserting “an application”; and

(IV) in clause (iii)—

(aa) by striking “service” and inserting “infrastructure”;

(bb) by striking “loan” the first place it appears;

(cc) by striking “3” and inserting “5”; and

(dd) by striking “proceeds from the loan made or guaranteed under this section are” and inserting “assistance under this section is”; and

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- (ii) in subparagraph (B), by striking “(k)” and inserting “(j)”; and
- (B) in paragraph (2)(A)—
  - (i) in the matter preceding clause (i)—
    - (I) by striking “the proceeds of a loan made or guaranteed” and inserting “assistance”; and
    - (II) by striking “for the loan or loan guarantee” and inserting “of the eligible entity”; and
  - (ii) in clause (i)—
    - (I) by striking “15 percent” and inserting “50 percent (in the case of loans or loan guarantees provided in accordance with subsection (g)(1)(A))”; and
    - (II) by striking “level of broadband service” and inserting “level of fixed broadband service, whether terrestrial or wireless,”;
- (C) in paragraph (3)(A), by striking “loan or” and inserting “grant, loan, or”;
- (D) in paragraph (4), by striking “a loan or loan guarantee” and inserting “assistance”; and
- (E) by striking paragraphs (5) through (10) and inserting the following:
 

“(5) TECHNICAL ASSISTANCE AND TRAINING.—

“(A) IN GENERAL.—The Secretary may provide to eligible entities described in paragraph (1) that are applying for assistance under this section for a project described in subsection (c)(2)(A)(i) technical assistance and training—

  - “(i) to prepare reports and surveys necessary to request grants, loans, and loan guarantees under this section for broadband deployment;
  - “(ii) to improve management, including financial management, relating to the proposed broadband deployment;
  - “(iii) to prepare applications for grants, loans, and loan guarantees under this section; or
  - “(iv) to assist with other areas of need identified by the Secretary.

“(B) FUNDING.—Not less than 3 percent and not more than 5 percent of amounts appropriated to carry out this section for a fiscal year shall be used for technical assistance and training under this paragraph.”;
- (5) in subsection (e)—
  - (A) in paragraph (1)—
    - (i) in subparagraph (A), by striking “4-Mbps” and inserting “25-Mbps”; and
    - (ii) in subparagraph (B), by striking “1-Mbps” and inserting “3-Mbps”;
  - (B) in paragraph (2)—
    - (i) by—
      - (I) striking the following:
 

“(2) ADJUSTMENTS.—

“(A) IN GENERAL.—At”; and

(II) inserting the following:
 

“(2) ADJUSTMENTS.—At”;
      - (ii) by inserting “and broadband buildout requirements under paragraph (4)” after “(1)”; and



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(iii) by striking subparagraph (B); and

(C) by adding at the end the following:

“(4) BROADBAND BUILDOUT REQUIREMENTS.—

“(A) IN GENERAL.—The term ‘broadband buildout requirement’ means the level of internet service an applicant receiving assistance under this section must agree, at the time the application is finalized, to provide for the duration of any project-related agreement between the applicant and the Department.

“(B) BROADBAND BUILDOUT REQUIREMENTS FURTHER DEFINED.—Subject to subparagraph (C), the Secretary shall establish broadband buildout requirements for projects with agreement lengths of—

“(i) 5 to 10 years;

“(ii) 11 to 15 years;

“(iii) 16 to 20 years; and

“(iv) more than 20 years.

“(C) REQUIREMENTS.—In establishing the broadband buildout requirements under subparagraph (B), the Secretary shall—

“(i) utilize the same metrics used to define the minimum acceptable level of broadband service under paragraph (1);

“(ii) establish such requirements to reasonably ensure—

“(I) the repayment of all loans and loan guarantees; and

“(II) the financed network is technically capable of providing broadband service for the lifetime of any project-related agreement.

“(D) SUBSTITUTE SERVICE STANDARDS FOR UNIQUE SERVICE TERRITORIES.—If an applicant shows that it would be cost prohibitive to meet the broadband buildout requirements established under this paragraph for the entirety of a proposed service territory due to the unique characteristics of the proposed service territory, the Secretary and the applicant may agree to utilize substitute standards for any unserved portion of the project. Any substitute service standards should continue to consider the best technology available to meet the needs of the residents in the unserved area.”;

(6) in subsection (f), by striking “make a loan or loan guarantee” and inserting “provide assistance”;

(7) in subsection (g), by striking paragraph (2) and redesignating paragraph (3) as paragraph (2);

(8) by striking subsections (i) and (j) and inserting the following:

“(i) PAYMENT ASSISTANCE FOR CERTAIN LOAN AND GRANT RECIPIENTS.—

“(1) USE OF GRANT FUNDS.—The Secretary may use the funds appropriated for a grant under this title for the cost (as defined by section 502 of the Congressional Budget Act of 1974) of providing assistance under paragraph (2).

“(2) PAYMENT ASSISTANCE.—When providing a grant under this title, the Secretary, at the sole discretion of the Secretary, may make—

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“(A) a subsidized loan, which shall bear a reduced interest rate at such a rate as the Secretary determines appropriate to meet the objectives of the program; or

“(B) a payment assistance loan, which shall—

“(i) require no interest and principal payments while the borrower is—

“(I) in material compliance with the loan agreement; and

“(II) meeting the milestones and objectives of the project agreed to under paragraph (3); and

“(ii) require such nominal periodic payments as the Secretary determines to be appropriate.

“(3) AGREEMENT ON MILESTONES AND OBJECTIVES.—With respect to payment assistance provided under paragraph (2), before entering into the agreement under which the payment assistance will be provided, the applicant and the Secretary shall agree to milestones and objectives of the project.

“(4) AMENDMENT OF MILESTONES AND OBJECTIVES.—The Secretary and the applicant may jointly agree to amend the milestones and objectives agreed to under paragraph (3).

“(5) CONSIDERATIONS.—When deciding to utilize the payment assistance authority under paragraph (2) the Secretary shall consider whether or not the payment assistance will—

“(A) improve the compliance of the grantee with any commitments made through the grant agreement;

“(B) promote the completion of the broadband project;

“(C) protect taxpayer resources; and

“(D) support the integrity of the broadband programs administered by the Secretary.

“(6) LIMITATIONS ON PAYMENT ASSISTANCE.—The Secretary may not make a payment assistance loan under paragraph (2)(B) to an entity receiving a grant under this section that is also the recipient of a loan under title I or II that is associated with such grant.”;

(9) in subsection (k)(1)—

(A) by striking “\$25,000,000” and inserting “\$350,000,000”; and

(B) by striking “2008 through 2018” and inserting “2019 through 2023”;

(10) in subsection (l)—

(A) by striking “loan or” and inserting “grant, or loan, or”; and

(B) by striking “2018” and inserting “2023”; and

(11) by redesignating subsections (k) and (l) as subsections (j) and (k), respectively.

**SEC. 6202. EXPANSION OF MIDDLE MILE INFRASTRUCTURE INTO RURAL AREAS.**

Section 602 of the Rural Electrification Act of 1936 (7 U.S.C. 950bb–1) is amended to read as follows:

**“SEC. 602. EXPANSION OF MIDDLE MILE INFRASTRUCTURE INTO RURAL AREAS.**

“(a) PURPOSE.—The purpose of this section is to encourage the expansion and extension of middle mile broadband infrastructure to connect underserved rural areas to the backbone of the Internet.

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“(b) MIDDLE MILE INFRASTRUCTURE.—For the purposes of this section, the term ‘middle mile infrastructure’ means any broadband infrastructure that does not connect directly to end-user locations (including anchor institutions) and may include interoffice transport, backhaul, Internet connectivity, data centers, or special access transport to rural areas.

“(c) GRANTS, LOANS, AND LOAN GUARANTEES.—The Secretary shall make grants, loans, and loan guarantees to eligible applicants described in subsection (d) to provide funds for the construction, improvement, or acquisition of middle mile infrastructure to serve rural areas.

“(d) ELIGIBILITY.—

“(1) ELIGIBLE APPLICANTS.—

“(A) IN GENERAL.—To be eligible to obtain assistance under this section, an eligible entity shall—

“(i) submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require;

“(ii) agree to complete build-out of the middle mile infrastructure described in the application by not later than 5 years after the initial date on which proceeds from the assistance provided under this section are made available; and

“(iii) submit to the Secretary a plan to ensure the viability of the project by—

“(I) connecting, assisting with connecting, or enabling the connection of retail broadband systems that serve rural areas within the proposed service territory to the middle mile infrastructure project in an affordable and economically competitive manner;

“(II) leasing or selling sufficient capacity prior to project approval; and

“(III) complying with any other requirements imposed by the Secretary.

“(B) ADDITIONAL END USER BROADBAND PROGRAMS.—Entities that receive assistance to construct, improve, or acquire middle mile infrastructure under this section shall be eligible to apply for additional funds under this title to provide for retail broadband service to end users.

“(2) ELIGIBLE SERVICE TERRITORIES.—The proceeds of assistance provided under this section may be used to carry out a project in a proposed service territory only if, as of the date the application for assistance under this section is submitted, there is not adequate middle mile infrastructure available to support broadband service for eligible rural communities that would be provided access to the middle mile infrastructure.

“(3) ELIGIBLE PROJECTS.—A project shall be eligible for assistance under this section if at the time of the application—

“(A) at least 75 percent of the interconnection points serve such eligible rural areas; and

“(B) the Secretary determines that the proposed middle mile network will be capable of supporting retail broadband service meeting the maximum broadband buildout requirement established under section 601(e)(4) for the residents within the proposed service territory.

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“(e) **LIMITATION ON GRANTS.**—In making grants under this section, the Secretary shall—

“(1) not provide any grant in excess of 20 percent of the total project cost; and

“(2) provide grants only to those projects which serve rural areas where population density or geographic characteristics make it infeasible to construct middle mile broadband systems without grant assistance.

“(f) **TERMS, CONDITIONS, AND ADEQUACY OF SECURITY.**—All loans and loan guarantees provided under this section shall be made subject to such terms, conditions, and adequacy of security requirements as may be imposed by the Secretary. If the middle mile infrastructure would not provide adequate security due to long-term leasing arrangements, the Secretary shall require substitute security in such form and substance as are acceptable to the Secretary.

“(g) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out this section \$10,000,000 for each of fiscal years 2018 through 2023.”.

**SEC. 6203. MODIFICATIONS TO THE RURAL GIGABIT PROGRAM.**

Section 603 of the Rural Electrification Act of 1936 (7 U.S.C. 950bb–2) is amended—

(1) in the section heading, by striking “**RURAL GIGABIT NETWORK PILOT**” and inserting “**INNOVATIVE BROADBAND ADVANCEMENT**”;

(2) in subsection (d), by striking “2014 through 2018” and inserting “2019 through 2023”;

(3) by redesignating subsection (d) as subsection (e); and

(4) by striking subsections (a) through (c) and inserting the following:

“(a) **IN GENERAL.**—The Secretary shall establish a program to be known as the ‘Innovative Broadband Advancement Program’, under which the Secretary may provide a grant, a loan, or both to an eligible entity for the purpose of demonstrating innovative broadband technologies or methods of broadband deployment that significantly decrease the cost of broadband deployment, and provide substantially faster broadband speeds than are available, in a rural area.

“(b) **RURAL AREA.**—In this section, the term ‘rural area’ has the meaning provided in section 601(b)(3).

“(c) **ELIGIBILITY.**—To be eligible to obtain assistance under this section for a project, an entity shall—

“(1) submit to the Secretary an application—

“(A) that describes a project designed to decrease the cost of broadband deployment, and substantially increase broadband speed to not less than the maximum broadband buildout requirements established under section 601(e)(4), in a rural area to be served by the project; and

“(B) at such time, in such manner, and containing such other information as the Secretary may require;

“(2) demonstrate that the entity is able to carry out the project; and

“(3) agree to complete the project build-out within 5 years after the date the assistance is first provided for the project.

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“(d) **PRIORITIZATION.**—In awarding assistance under this section, the Secretary shall give priority to proposals for projects that—

“(1) involve partnerships between or among multiple entities;

“(2) would provide broadband service to the greatest number of rural entities at or above the broadband requirements referred to in subsection (c)(1)(A); and

“(3) the Secretary determines could be replicated in rural areas described in paragraph (2).”.

**SEC. 6204. COMMUNITY CONNECT GRANT PROGRAM.**

Title VI of the Rural Electrification Act of 1936 (7 U.S.C. 950bb et seq.) is amended by adding at the end the following:

**“SEC. 604. COMMUNITY CONNECT GRANT PROGRAM.**

7 USC 950bb–3.

“(a) **DEFINITIONS.**—In this section:

“(1) **ELIGIBLE BROADBAND SERVICE.**—The term ‘eligible broadband service’ means broadband service that has the capability to transmit data at a speed specified by the Secretary, which may not be less than the applicable minimum download and upload speeds established by the Federal Communications Commission in defining the term ‘advanced telecommunications capability’ for purposes of section 706 of the Telecommunications Act of 1996 (47 U.S.C. 1302).

“(2) **ELIGIBLE SERVICE AREA.**—The term ‘eligible service area’ means an area in which broadband service capacity is less than—

“(A) a 10-Mbps downstream transmission capacity; and

“(B) a 1-Mbps upstream transmission capacity.

“(3) **ELIGIBLE ENTITY.**—

“(A) **IN GENERAL.**—The term ‘eligible entity’ means a legally organized entity that—

“(i) is—

“(I) an incorporated organization;

“(II) an Indian Tribe or Tribal organization;

“(III) a State;

“(IV) a unit of local government; or

“(V) any other legal entity, including a cooperative, a private corporation, or a limited liability company, that is organized on a for-profit or a not-for-profit basis; and

“(ii) has the legal capacity and authority to enter into a contract, to comply with applicable Federal laws, and to own and operate broadband facilities, as proposed in the application submitted by the entity for a grant under the Program.

“(B) **EXCLUSIONS.**—The term ‘eligible entity’ does not include—

“(i) an individual; or

“(ii) a partnership.

“(4) **RURAL AREA.**—The term ‘rural area’ has the meaning given the term in section 601(b)(3)(A).

“(b) **ESTABLISHMENT.**—The Secretary shall establish a program, to be known as the ‘Community Connect Grant Program’, to provide grants to eligible entities to finance broadband transmission in rural areas.

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“(c) ELIGIBLE PROJECTS.—An eligible entity that receives a grant under the Program shall use the grant to carry out a project that—

“(1) provides eligible broadband service to, within the proposed eligible service area described in the application submitted by the eligible entity—

“(A) each essential community facility as defined pursuant to section 306(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)); and

“(B) any required facilities necessary to offer that eligible broadband service to each residential and business customer within such proposed eligible service area; and

“(2) for not less than 2 years—

“(A) furnishes free eligible broadband service to a community center described in subsection (d)(1)(B);

“(B) provides not fewer than 2 computer access points for that free eligible broadband service; and

“(C) covers the cost of bandwidth to provide free eligible broadband service to each essential community facility that requests broadband services within the proposed eligible service area described in the application submitted by the eligible entity.

“(d) USES OF GRANT FUNDS.—

“(1) IN GENERAL.—An eligible entity that receives a grant under the Program may use the grant for—

“(A) the construction, acquisition, or leasing of facilities (including spectrum), land, or buildings to deploy eligible broadband service; and

“(B) the improvement, expansion, construction, or acquisition of a community center within the proposed eligible service area described in the application submitted by the eligible entity.

“(2) INELIGIBLE USES.—An eligible entity that receives a grant under the Program shall not use the grant for—

“(A) the duplication of any existing eligible broadband service provided by another entity in the eligible service area; or

“(B) operating expenses, except as provided in—

“(i) subsection (c)(2)(C) with respect to free eligible broadband service; and

“(ii) paragraph (1)(A) with respect to spectrum.

“(3) FREE ACCESS FOR COMMUNITY CENTERS.—Of the amounts provided to an eligible entity under a grant under the Program, the eligible entity shall use to carry out paragraph (1)(B) not greater than the lesser of—

“(A) 10 percent; and

“(B) \$150,000.

“(e) MATCHING FUNDS.—

“(1) IN GENERAL.—An eligible entity that receives a grant under the Program shall provide a cash contribution in an amount that is not less than 15 percent of the amount of the grant.

“(2) REQUIREMENTS.—A cash contribution described in paragraph (1)—

“(A) shall be used solely for the project for which the eligible entity receives a grant under the Program; and



“(B) shall not include any Federal funds, unless a Federal statute specifically provides that those Federal funds may be considered to be from a non-Federal source.

“(f) APPLICATIONS.—

“(1) IN GENERAL.—To be eligible to receive a grant under the Program, an eligible entity shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

“(2) REQUIREMENT.—An application submitted by an eligible entity under paragraph (1) shall include documentation sufficient to demonstrate the availability of funds to satisfy the requirement of subsection (e).

“(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$50,000,000 for each of fiscal years 2019 through 2023.”.

**SEC. 6205. OUTDATED BROADBAND SYSTEMS.**

(a) IN GENERAL.—Title VI of the Rural Electrification Act of 1936 (7 U.S.C. 950bb et seq.) is further amended by adding at the end the following:

**“SEC. 605. OUTDATED BROADBAND SYSTEMS.**

7 USC 950bb–4.

“(a) IN GENERAL.—Except as provided in subsection (b), the Secretary shall consider any portion of a service territory that is subject to an outstanding grant agreement between the Secretary and a broadband provider to be unserved for the purposes of all broadband assistance programs under this Act, if the broadband service in that portion of a service territory is less than 10 Mbps downstream transmission capacity or less than 1 Mbps upstream transmission capacity.

“(b) EXCEPTION.—The Secretary shall not consider a portion of a service territory described in subsection (a) to be unserved if the broadband service provider has constructed or begun to construct broadband facilities that meet the minimum acceptable level of service established under section 601(e), in that portion of the service territory.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall not take effect until October 1, 2020.

7 USC 950bb–4 note.

**SEC. 6206. DEFAULT AND DEOBLIGATION; DEFERRAL.**

Title VI of such Act (7 U.S.C. 950bb et seq.) is further amended by adding at the end the following:

**“SEC. 606. DEFAULT AND DEOBLIGATION; DEFERRAL.**

7 USC 950bb–5.

“(a) DEFAULT AND DEOBLIGATION.—In addition to other authority under applicable law, the Secretary shall establish written procedures for all broadband programs so that, to the maximum extent practicable, the programs are administered to—

“(1) recover funds from loan and grant defaults;

“(2) deobligate any awards, less allowable costs that demonstrate an insufficient level of performance (including metrics determined by the Secretary) or fraudulent spending, to the extent funds with respect to the award are available in the account relating to the program established by this title;

“(3) award those funds, on a competitive basis, to new or existing applicants consistent with this title; and

“(4) minimize overlap among the programs.

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“(b) DEFERRAL PERIOD.—In determining the terms and conditions of assistance provided under this title, the Secretary may establish a deferral period of not shorter than the buildout period established for the project involved in order to support the financial feasibility and long-term sustainability of the project.”.

**SEC. 6207. PUBLIC NOTICE, ASSESSMENTS, AND REPORTING REQUIREMENTS.**

The Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) is amended by adding at the end the following new title:

**“TITLE VII—GENERAL AND ADMINISTRATIVE PROVISIONS**

7 USC 950cc.

**“SEC. 701. PUBLIC NOTICE, ASSESSMENTS, AND REPORTING REQUIREMENTS.**

“(a) NOTICE REQUIREMENTS.—The Secretary shall promptly make available to the public, a fully searchable database on the website of the Rural Utilities Service that contains information on all retail broadband projects provided assistance or for which assistance is sought that are administered by the Secretary, including, at a minimum—

“(1) notice of each application for assistance describing the application, including—

“(A) the identity of the applicant;

“(B) a description of each application, including—

“(i) a map of the proposed service area of the applicant; and

“(ii) the amount and type of support requested by each applicant;

“(C) the status of each application; and

“(D) the estimated number and proportion of service points in the proposed service territory without fixed broadband service, whether terrestrial or wireless;

“(2) notice of each entity receiving assistance administered by the Secretary, including—

“(A) the name of the entity;

“(B) the type of assistance being received;

“(C) the purpose for which the entity is receiving the assistance; and

“(D) each annual report submitted under subsection (c) (redacted to protect any proprietary information in the report); and

“(3) such other information as is sufficient to allow the public to understand assistance provided.

“(b) SERVICE AREA ASSESSMENT.—

“(1) IN GENERAL.—The Secretary shall, with respect to a retail broadband application for assistance, which is outside an area in which the applicant receives Federal universal service support—

“(A) after giving notice required by subsection (a)(1), afford service providers not less than 45 days to voluntarily submit information required by the Secretary onto the agency’s online mapping tool with respect to areas that are coterminous with the proposed service area of the application (or any parts thereof), such that the Secretary

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may assess whether the application submitted meets the eligibility requirements under this title; and

“(B) if no broadband service provider submits information under paragraph (1), consider the number of providers in the proposed service area to be established by using any other data regarding the availability of broadband service that the Secretary may collect or obtain through reasonable efforts.

“(2) ASSESSMENT OF UNSERVED COMMUNITIES.—In the case of an application given the highest priority under section 601(c)(2)(A)(i), the Secretary shall confirm that each unserved rural community identified in the application is eligible for funding by—

“(A) conferring with, and obtaining data from, the Chair of the Federal Communications Commission and the Administrator of the National Telecommunications and Information Administration with respect to the service level in the service area proposed in the application;

“(B) reviewing any other source that is relevant to service data validation, as determined by the Secretary; and

“(C) performing site-specific testing to verify the unavailability of any retail broadband service.

“(3) FOIA EXEMPTION.—For purposes of section 552 of title 5, United States Code, information received by the Secretary pursuant to paragraph (1)(A) of this subsection shall be exempt from disclosure pursuant to subsection (b)(2)(B) of such section 552.

“(c) REPORTING BROADBAND IMPROVEMENTS TO USDA.—

“(1) IN GENERAL.—The Secretary shall require any entity receiving assistance for a project which provides retail broadband service to submit an annual report for 3 years after completion of the project, in a format specified by the Secretary, that describes—

“(A) the use by the entity of the assistance, including new equipment and capacity enhancements that support high-speed broadband access for educational institutions, health care providers, and public safety service providers (including the estimated number of end users who are currently using or forecasted to use the new or upgraded infrastructure); and

“(B) the progress towards fulfilling the objectives for which the assistance was granted, including—

“(i) the number of service points that will receive new broadband service, existing network service improvements, and facility upgrades resulting from the Federal assistance;

“(ii) the speed of broadband service;

“(iii) the average price of the most subscribed tier of broadband service in a proposed service area;

“(iv) new subscribers generated from the project; and

“(v) any metrics the Secretary determines to be appropriate.

“(2) ADDITIONAL REPORTING.—

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“(A) BROADBAND BUILDOUT DATA.—As a condition of receiving assistance under section 601, a recipient of assistance shall provide to the Secretary complete, reliable, and precise geolocation information that indicates the location of new broadband service that is being provided or upgraded within the service territory supported by the grant, loan, or loan guarantee not later than 30 days after the earlier of—

“(i) the date of completion of any project milestone established by the Secretary; or

“(ii) the date of completion of the project.

“(B) REPORTING FOR MIDDLE MILE PROJECTS.—The Secretary shall require any entity receiving assistance under section 602 to submit a semiannual report for 5 years after completion of the project, in a format specified by the Secretary, that describes—

“(i) the use by the entity of the assistance to construct, improve, or acquire middle mile infrastructure;

“(ii) the progress towards meeting the end-user connection plan submitted under section 602(d)(1)(A)(iii); and

“(iii) any additional metrics the Secretary determines to be appropriate.

“(C) ADDITIONAL REPORTING.—The Secretary may require any additional reporting and information by any recipient of any broadband assistance under this act so as to ensure compliance with this section.

“(d) ANNUAL REPORT ON BROADBAND PROJECTS AND SERVICE TO CONGRESS.—Each year, the Secretary shall submit to the Congress a report that describes the extent of participation in the broadband assistance programs administered by the Secretary for the preceding fiscal year, including a description of—

“(1) the number of applications received and accepted, including any special loan terms or conditions for which the Secretary provided additional assistance to unserved areas;

“(2)(A) the communities proposed to be served in each application submitted for the fiscal year; and

“(B) the communities served by projects funded by broadband assistance programs;

“(3) the period of time required to approve each loan application under broadband programs;

“(4) any outreach activities carried out by the Secretary to encourage entities in rural areas without broadband service to submit applications under this Act;

“(5) the method by which the Secretary determines that a service enables a subscriber to originate and receive high-quality voice, data, graphics, and video for purposes of providing broadband service under this Act;

“(6) each broadband service, including the type and speed of broadband service, for which assistance was sought, and each broadband service for which assistance was provided, under this Act; and

“(7) the overall progress towards fulfilling the goal of improving the quality of rural life by expanding rural broadband access, as demonstrated by metrics, including—

“(A) the number of residences and businesses receiving new broadband services;

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“(B) network improvements, including facility upgrades and equipment purchases;

“(C) average broadband speeds and prices on a local and statewide basis;

“(D) any changes in broadband adoption rates; and

“(E) any specific activities that increased high speed broadband access for educational institutions, health care providers, and public safety service providers.

“(e) LIMITATIONS ON RESERVATION OF FUNDS.—Not less than 3 but not more than 5 percent of program level amounts available pursuant to amounts appropriated to carry out title VI shall be set aside to be used for—

“(1) conducting oversight under such title;

“(2) implementing accountability measures and related activities authorized under such title; and

“(3) carrying out this section.”.

**SEC. 6208. ENVIRONMENTAL REVIEWS.**

Title VII of the Rural Electrification Act of 1936, as added by section 6207 of this Act, is amended by adding at the end the following:

**“SEC. 702. ENVIRONMENTAL REVIEWS.**

7 USC 950cc–1.

“The Secretary may obligate, but not disperse, funds under this Act before the completion of otherwise required environmental, historical, or other types of reviews if the Secretary determines that a subsequent site-specific review shall be adequate and easily accomplished for the location of towers, poles, or other broadband facilities in the service area of the borrower without compromising the project or the required reviews.”.

**SEC. 6209. USE OF LOAN PROCEEDS TO REFINANCE LOANS FOR DEPLOYMENT OF BROADBAND SERVICE.**

Title VII of the Rural Electrification Act of 1936, as added by section 6207 and amended by section 6208 of this Act, is amended by adding at the end the following:

**“SEC. 703. USE OF LOAN PROCEEDS TO REFINANCE LOANS FOR DEPLOYMENT OF BROADBAND SERVICE.**

7 USC 950cc–2.

“Notwithstanding any other provision of this Act, the proceeds of any loan made or guaranteed by the Secretary under this Act may be used by the recipient of the loan for the purpose of refinancing an outstanding obligation of the recipient on another telecommunications loan made under this Act, or on any other loan if that loan would have been for an eligible telecommunications purpose under this Act.”.

**SEC. 6210. SMART UTILITY AUTHORITY FOR BROADBAND.**

(a) Section 331 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981) is amended by adding at the end the following:

“(e)(1) Except as provided in paragraph (2), the Secretary may allow a recipient of a grant, loan, or loan guarantee provided by the Office of Rural Development under this title to use not more than 10 percent of the amount so provided—

“(A) for any activity for which assistance may be provided under section 601 of the Rural Electrification Act of 1936; or

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“(B) to construct other broadband infrastructure.

“(2) Paragraph (1) of this subsection shall not apply to a recipient who is seeking to provide retail broadband service in any area where retail broadband service is available at the minimum broadband speeds, as defined under section 601(e) of the Rural Electrification Act of 1936.

“(3) The Secretary shall not provide funding under paragraph (1) if the funding would result in competitive harm to any grant, loan, or loan guarantee provided under the Rural Electrification Act of 1936.”.

(b) Title I of the Rural Electrification Act of 1936 (7 U.S.C. 901–918a) is amended by inserting after section 7 the following:

7 USC 908.

**“SEC. 8. LIMITATIONS ON USE OF ASSISTANCE.**

“(a) Subject to subsections (b) and (c) of this section, the Secretary may allow a recipient of a grant, loan, or loan guarantee under this title to set aside not more than 10 percent of the amount so received to provide retail broadband service.

“(b) A recipient who sets aside funds under subsection (a) of this section may use the funds only in an area that is not being provided with the minimum acceptable level of broadband service established under section 601(e), unless the recipient meets the requirements of section 601(d).

“(c) Nothing in this section shall be construed to limit the ability of any borrower to finance or deploy services authorized under this Act.

“(d) The Secretary shall not provide funding under subsection (a) if the funding would result in competitive harm to any grant, loan, or loan guarantee referred to in subsection (a).”.

**SEC. 6211. REFINANCING OF TELEPHONE LOANS.**

Section 201 of the Rural Electrification Act of 1936 (7 U.S.C. 922) is amended, in the fifth sentence, by striking “furnishing telephone service in rural areas:” and all that follows through “40 per centum of any loan made under this title.” and inserting “furnishing telephone service in rural areas, including indebtedness of recipients on another telecommunications loan made under this Act.”.

7 USC 950bb–6.

**SEC. 6212. FEDERAL BROADBAND PROGRAM COORDINATION.**

(a) CONSULTATION BETWEEN USDA AND NTIA.—The Secretary shall consult with the Assistant Secretary to assist in the verification of eligibility of the broadband loan and grant programs of the Department of Agriculture. In providing assistance under the preceding sentence, the Assistant Secretary shall make available the broadband assessment and mapping capabilities of the National Telecommunications and Information Administration.

(b) CONSULTATION BETWEEN USDA AND FCC.—

(1) BY USDA.—The Secretary shall consult with the Commission before providing broadband assistance for a project to serve an area with respect to which another entity is receiving Connect America Fund or Mobility Fund support under the Federal universal service support mechanisms established under section 254 of the Communications Act of 1934 (47 U.S.C. 254).

(2) BY FCC.—The Commission shall consult with the Secretary before offering or providing Connect America Fund or Mobility Fund support under the Federal universal service



support mechanisms established under section 254 of the Communications Act of 1934 (47 U.S.C. 254) to serve an area with respect to which another entity has received broadband assistance under a loan or grant program of the Department of Agriculture.

(c) REPORT TO CONGRESS.—Not later than 1 year after the date of the enactment of this Act, the Secretary, the Commission, and the Assistant Secretary shall submit to the Committee on Agriculture and the Committee on Energy and Commerce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry and the Committee on Commerce, Science, and Transportation of the Senate a report on how best to coordinate federally supported broadband programs and activities in order to achieve the following objectives:

(1) Promote high-quality broadband service that meets the long-term needs of rural residents and businesses, by evaluating the broadband service needs in rural areas for each decade through 2050.

(2) Support the long-term viability, sustainability, and utility of federally supported rural broadband infrastructure, by analyzing the technical capabilities of the technologies currently available and reasonably expected to be available by 2035 to meet the broadband service needs of rural residents identified under paragraph (1), including by analyzing the following:

(A) The real-world performance of such technologies, including data rates, latency, data usage restrictions, and other aspects of service quality, as defined by the Commission.

(B) The suitability of each such technology for residential, agricultural, educational, healthcare, commercial, and industrial purposes in rural areas.

(C) The cost to deploy and support such technologies in several rural geographies.

(D) The costs associated with online platforms, specifically the resulting constraints on rural network bandwidth.

(3) Identify and quantify the availability of broadband service and ongoing broadband deployment in rural areas, including ways to do the following:

(A) Harmonize broadband notification and reporting requirements and develop common verification procedures across all federally supported broadband programs.

(B) Consolidate and utilize the existing broadband service data.

(C) Collect and share data on those projects in rural areas where Federal programs are currently supporting broadband deployment, including areas with respect to which an entity is receiving—

(i) support under a broadband assistance program of the Department of Agriculture; or

(ii) Connect America Fund or Mobility Fund support under the Federal universal service support mechanisms established under section 254 of the Communications Act of 1934 (47 U.S.C. 254).

(D) Leverage support technologies and services from online platforms for providers of broadband service in rural areas.

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(d) DEFINITIONS.—In this section:

(1) ASSISTANT SECRETARY.—The term “Assistant Secretary” means the Assistant Secretary of Commerce for Communications and Information.

(2) COMMISSION.—The term “Commission” means the Federal Communications Commission.

(3) RURAL AREA.—The term “rural area” has the meaning given the term in section 601(b)(3) of the Rural Electrification Act of 1936.

7 USC 950bb  
note.**SEC. 6213. TRANSITION RULE.**

For the period beginning on the date of the enactment of this Act and ending on the date that is one year after such date of enactment, with respect to the implementation of the rural broadband access program under section 601 of the Rural Electrification Act of 1936 (7 U.S.C. 950bb) and the Community Connect Grant Program under section 604 of such Act, as added by section 6204 of this Act, the Secretary shall use the regulations in existence as of the day before the date of enactment of this Act that are applicable to the program involved, until the Secretary issues a final rule implementing the provisions of, and amendments made by, this title that apply to that program.

**SEC. 6214. RURAL BROADBAND INTEGRATION WORKING GROUP.**

(a) IN GENERAL.—

(1) ESTABLISHMENT.—There is established the Rural Broadband Integration Working Group (referred to in this subsection as the “Working Group”).

(2) MEMBERSHIP.—The membership of the Working Group shall be composed of the heads, or their designees, of—

(A) the Department of Agriculture, acting through the Administrator of the Rural Utilities Service;

(B) the Department of Commerce, acting through the Assistant Secretary for Communications and Information;

(C) the Department of Defense;

(D) the Department of State;

(E) the Department of the Interior;

(F) the Department of Labor;

(G) the Department of Health and Human Services;

(H) the Department of Homeland Security;

(I) the Department of Housing and Urban Development;

(J) the Department of Justice;

(K) the Department of Transportation;

(L) the Department of the Treasury;

(M) the Department of Energy;

(N) the Department of Education;

(O) the Department of Veterans Affairs;

(P) the Environmental Protection Agency;

(Q) the General Services Administration;

(R) the Small Business Administration;

(S) the Institute of Museum and Library Services;

(T) the National Science Foundation;

(U) the Council on Environmental Quality;

(V) the Office of Science and Technology Policy;

(W) the Office of Management and Budget;

(X) the Council of Economic Advisers;

(Y) the Domestic Policy Council;

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(Z) the National Economic Council; and

(AA) such other Federal agencies or entities as are determined appropriate by the co-chairs.

(3) CO-CHAIRS.—The following individuals, or their designees, shall serve as co-chairs of the Working Group:

(A) The Administrator of the Rural Utilities Service.

(B) The Assistant Secretary for Communications and Information.

(C) The Director of the National Economic Council.

(D) The Director of the Office of Science and Technology Policy.

(4) CONSULTATION; COORDINATION.—The Working Group shall consult, as appropriate, with other relevant agencies, including the Federal Communications Commission. The Working Group shall coordinate with existing Federal working groups and committees involved with broadband.

(5) MEMBERSHIP CHANGES.—The Director of the National Economic Council and the Director of the Office of Science and Technology Policy shall review, on a periodic basis, the membership of the Working Group to ensure that the Working Group—

(A) includes necessary Federal Government entities; and

(B) is an effective mechanism for coordinating among agencies on the policy described in subsection (b).

(b) FUNCTIONS OF WORKING GROUP.—

(1) CONSULTATION.—The Working Group shall consult with State, local, Tribal, and territorial governments, telecommunications companies, utilities, trade associations, philanthropic entities, policy experts, and other interested parties to identify, assess, and determine possible actions relating to barriers and opportunities for broadband deployment in rural areas.

(2) POINT OF CONTACT.—Not later than 15 days after the date of enactment of this Act, each member of the Working Group shall—

(A) designate a representative to serve as the main point of contact for matters relating to the Working Group; and

(B) notify the co-chairs of the Working Group of that designee.

(3) SURVEY.—Not later than 60 days after the date of enactment of this Act, based on information provided by the members of the Working Group, the Working Group shall publish a comprehensive survey of—

(A) Federal programs, including the allocated funding amounts, that currently support or could reasonably be modified to support broadband deployment and adoption; and

(B) all Federal agency-specific policies and rules with the direct or indirect effect of facilitating or regulating investment in, or deployment of, wired and wireless broadband networks.

(4) LIST OF ACTIONS.—Not later than 120 days after the date of enactment of this Act, the members of the Working Group shall submit to the Working Group an initial list of actions that each of the agencies could take to identify and

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address regulatory barriers to, incentivize investment in, promote best practices within, align funding decisions with respect to, and otherwise support, wired broadband deployment and adoption.

(5) REPORT.—Not later than 150 days after the date of enactment of this Act, the Working Group shall submit to the President an agreed-to and prioritized list of recommendations of the Working Group on actions that Federal agencies can take to support broadband deployment and adoption, including—

- (A) a list of priority actions and rulemakings; and
- (B) timelines to complete the priority actions and rulemakings.

## Subtitle C—Miscellaneous

### SEC. 6301. EXCLUSION OF CERTAIN POPULATIONS FROM DEFINITION OF RURAL AREA.

(a) IN GENERAL.—Section 343(a)(13) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)(13)) is amended—

(1) in subparagraph (A), by striking “(G)” and inserting “(I)”;

(2) by adding at the end the following:

“(H) EXCLUSION OF INCARCERATED POPULATIONS.—Populations of individuals incarcerated on a long-term or regional basis shall not be included in determining whether an area is ‘rural’ or a ‘rural area’.

“(I) LIMITED EXCLUSION OF MILITARY BASE POPULATIONS.—The first 1,500 individuals who reside in housing located on a military base shall not be included in determining whether an area is ‘rural’ or a ‘rural area’.”

(b) BROADBAND.—Section 601(b)(3) of the Rural Electrification Act of 1936 (7 U.S.C. 950bb(b)(3)) is amended by adding at the end the following:

“(C) EXCLUSION OF CERTAIN POPULATIONS.—Such term does not include any population described in subparagraph (H) or (I) of section 343(a)(13) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)(13)).”

(c) DISTANCE LEARNING AND TELEMEDICINE LOANS AND GRANTS.—Section 2332 of the Food Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 950aaa–1) is amended by adding at the end the following:

“(4) RURAL AREA.—The term ‘rural area’ has the meaning given the term in section 601(b)(3) of the Rural Electrification Act of 1936.”

7 USC 2671.

### SEC. 6302. ESTABLISHMENT OF TECHNICAL ASSISTANCE PROGRAM.

(a) DEFINITION.—In this section, the term ‘tribally designated housing entity’ has the meaning given the term in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103).

(b) IN GENERAL.—The Secretary shall, in coordination with the Office of Tribal Relations established under section 309 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6921), provide technical assistance to improve access by Tribal entities to rural development programs funded by the Department

of Agriculture through available cooperative agreement authorities of the Secretary.

(c) **TECHNICAL ASSISTANCE.**—Technical assistance provided under subsection (b) shall address the unique challenge of Tribal governments, Tribal producers, Tribal businesses, Tribal business entities, and tribally designated housing entities in accessing Department of Agriculture-supported rural infrastructure, rural cooperative development, rural business and industry, rural housing, and other rural development activities.

**SEC. 6303. RURAL ENERGY SAVINGS PROGRAM.**

Section 6407 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107a) is amended—

(1) in subsection (b)(2), by striking “efficiency.” and inserting “efficiency (including cost-effective on- or off-grid renewable energy or energy storage systems).”;

(2) in subsection (c)—

(A) by redesignating paragraphs (4) through (7) as paragraphs (5) through (8), respectively;

(B) by inserting after paragraph (3) the following:

“(4) **ELIGIBILITY FOR OTHER LOANS.**—The Secretary shall not include any debt incurred by a borrower under this section in the calculation of the debt-equity ratio of the borrower for purposes of eligibility for loans under the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.).”;

(C) in subparagraph (B) of paragraph (5) (as so redesignated), by striking “(6)” and inserting “(7)”; and

(D) by adding at the end the following:

“(9) **ACCOUNTING.**—The Secretary shall take appropriate steps to streamline the accounting requirements on borrowers under this section while maintaining adequate assurances of the repayment of the loans.”;

(3) in subsection (d)(1)—

(A) in subparagraph (A), by striking “3 percent” and inserting “5 percent”; and

(B) in subparagraph (D), by striking “electric” and inserting “recurring service”;

(4) by redesignating subsection (h) as subsection (i);

(5) by inserting after subsection (g) the following:

“(h) **PUBLICATION.**—Not later than 120 days after the end of each fiscal year, the Secretary shall publish a description of—

“(1) the number of applications received under this section for that fiscal year;

“(2) the number of loans made to eligible entities under this section for that fiscal year; and

“(3) the recipients of the loans described in paragraph (2).”;

(6) in subsection (i) (as so redesignated), by striking “2018” and inserting “2023”.

**SEC. 6304. NORTHERN BORDER REGIONAL COMMISSION REAUTHORIZATION.**

(a) **ADMINISTRATIVE EXPENSES OF REGIONAL COMMISSIONS.**—Section 15304(c)(3)(A) of title 40, United States Code, is amended by striking “unanimous” and inserting “majority”.

(b) **ECONOMIC AND INFRASTRUCTURE DEVELOPMENT GRANTS.**—Section 15501 of title 40, United States Code, is amended—

(1) in subsection (a)—

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(A) in paragraph (7), by striking “and” at the end;  
 (B) by redesignating paragraph (8) as paragraph (9);  
 and

(C) by inserting after paragraph (7) the following:  
 “(8) to grow the capacity for successful community economic  
 development in its region; and”;

(2) in subsection (b), by striking “paragraphs (1) through  
 (3)” and inserting “paragraph (1), (2), (3), or (7)”;

(3) in subsection (f), by striking the period at the end  
 and inserting “, except that financial assistance may be used  
 as otherwise authorized by this subtitle to attract businesses  
 to the region from outside the United States.”.

40 USC 15501  
 note.

(c) STATE CAPACITY BUILDING GRANT PROGRAM.—

(1) DEFINITIONS.—In this subsection:

(A) COMMISSION.—The term “Commission” means the  
 Northern Border Regional Commission established by sec-  
 tion 15301(a)(3) of title 40, United States Code.

(B) COMMISSION STATE.—The term “Commission State”  
 means each of the States of Maine, New Hampshire, New  
 York, and Vermont.

(C) ELIGIBLE COUNTY.—The term “eligible county”  
 means a county described in section 15733 of title 40,  
 United States Code.

(D) PROGRAM.—The term “program” means the State  
 capacity building grant program established under para-  
 graph (2).

(2) ESTABLISHMENT.—Not later than 180 days after the  
 date of enactment of this Act, the Commission shall establish  
 a State capacity building grant program to provide grants to  
 Commission States to carry out the purpose under paragraph  
 (3).

(3) PURPOSE.—The purpose of the program is to support  
 the efforts of the Commission—

(A) to better support business retention and expansion  
 in eligible counties;

(B) to create programs to encourage job creation and  
 workforce development in eligible counties;

(C) to prepare economic and infrastructure plans for  
 eligible counties;

(D) to expand access to high-speed broadband in  
 eligible counties;

(E) to provide technical assistance that results in  
 Commission investments in transportation, water, waste-  
 water, and other critical infrastructure;

(F) to create initiatives to increase the effectiveness  
 of local development districts in eligible counties; and

(G) to implement new or innovative economic develop-  
 ment practices that will better position the eligible counties  
 of Commission States to compete in the global economy.

(4) USE OF FUNDS.—

(A) IN GENERAL.—Funds from a grant under the pro-  
 gram may be used to support a project, program, or related  
 expense of the Commission State in an eligible county.

(B) LIMITATION.—Funds from a grant under the pro-  
 gram shall not be used for—

(i) the purchase of furniture, fixtures, or equip-  
 ment;



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(ii) the compensation of—

(I) any State member of the Commission (as described in section 15301(b)(1)(B) of title 40, United States Code); or

(II) any State alternate member of the Commission (as described in section 15301(b)(2)(B) of title 40, United States Code); or

(iii) the cost of supplanting existing State programs.

(5) ANNUAL WORK PLAN.—

(A) IN GENERAL.—For each fiscal year, before providing a grant under the program, each Commission State shall provide to the Commission an annual work plan that includes the proposed use of the grant.

(B) APPROVAL.—No grant under the program shall be provided to a Commission State unless the Commission has approved the annual work plan of the State.

(6) AMOUNT OF GRANT.—

(A) IN GENERAL.—The amount of a grant provided to a Commission State under the program for a fiscal year shall be based on the proportion that—

(i) the amount paid by the Commission State (including any amounts paid on behalf of the Commission State by a nonprofit organization) for administrative expenses for the applicable fiscal year (as determined under section 15304(c) of title 40, United States Code); bears to

(ii) the amount paid by all Commission States (including any amounts paid on behalf of a Commission State by a nonprofit organization) for administrative expenses for that fiscal year (as determined under that section).

(B) REQUIREMENT.—To be eligible to receive a grant under the program for a fiscal year, a Commission State (or a nonprofit organization on behalf of the Commission State) shall pay the amount of administrative expenses of the Commission State for the applicable fiscal year (as determined under section 15304(c) of title 40, United States Code).

(C) APPROVAL.—For each fiscal year, a grant provided under the program shall be approved and made available as part of the approval of the annual budget of the Commission.

(7) GRANT AVAILABILITY.—Funds from a grant under the program shall be available only during the fiscal year for which the grant is provided.

(8) REPORT.—Each fiscal year, each Commission State shall submit to the Commission and make publicly available a report that describes the use of the grant funds and the impact of the program in the State.

(9) FUNDING.—

(A) IN GENERAL.—There is authorized to be appropriated to carry out this subsection \$5,000,000 for each of fiscal years 2019 through 2023.

(B) SUPPLEMENT, NOT SUPPLANT.—Funds made available to carry out this subsection shall supplement and

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not supplant funds made available for the Commission and other activities of the Commission.

(d) NORTHERN BORDER REGIONAL COMMISSION.—Section 15733 of title 40, United States Code, is amended—

(1) in paragraph (2)—

(A) by inserting “Belknap,” before “Carroll,”; and

(B) by inserting “Cheshire,” before “Coos,”;

(2) by striking paragraph (3) and inserting the following new paragraph:

“(3) NEW YORK.—The counties of Cayuga, Clinton, Essex, Franklin, Fulton, Genesee, Greene, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison, Montgomery, Niagara, Oneida, Orleans, Oswego, Rensselaer, Saratoga, Schenectady, Seneca, St. Lawrence, Sullivan, Washington, Warren, Wayne, and Yates in the State of New York.”; and

(3) in paragraph (4)—

(A) by inserting “Addison, Bennington,” before “Cal-edonia,”;

(B) by inserting “Chittenden,” before “Essex,”;

(C) by striking “and” and inserting “Orange,” and

(D) by inserting “, Rutland, Washington, Windham, and Windsor” after “Orleans”.

(e) AUTHORIZATION OF APPROPRIATIONS.—Section 15751(a) of title 40, United States Code, is amended by striking “\$30,000,000 for each of fiscal years 2008 through 2018” and inserting “\$33,000,000 for each of fiscal years 2019 through 2023”.

(f) VACANCIES.—Section 15301 of title 40, United States Code, is amended by adding at the end the following:

“(f) SUCCESSION.—Subject to the time limitations under section 3346 of title 5, the Federal Cochairperson may designate a Federal employee of the Commission to perform the functions and duties of the office of the Federal Cochairperson temporarily in an acting capacity if both the Federal Cochairperson and the alternate Federal Cochairperson die, resign, or otherwise are unable to perform the functions and duties of their offices.”.

(g) TECHNICAL AMENDMENTS.—Chapters 1, 2, 3, and 4 of sub-title V of title 40, United States Code, are redesignated as chapters 151, 153, 155, and 157, respectively.

40 USC  
15101 prec.,  
15301 prec.,  
15501 prec.,  
15701 prec.

**SEC. 6305. DEFINITION OF RURAL AREA FOR PURPOSES OF THE HOUSING ACT OF 1949.**

The second sentence of section 520 of the Housing Act of 1949 (42 U.S.C. 1490) is amended—

(1) by striking “or 2010 decennial census” and inserting “2010, or 2020 decennial census”;

(2) by striking “December 31, 2010,” and inserting “December 31, 2020,”; and

(3) by striking “year 2020” and inserting “year 2030”.

7 USC 2204b–3.

**SEC. 6306. COUNCIL ON RURAL COMMUNITY INNOVATION AND ECONOMIC DEVELOPMENT.**

(a) PURPOSE.—The purpose of this section is to enhance the efforts of the Federal Government to address the needs of rural areas in the United States by—

(1) establishing a council to better coordinate Federal programs directed to rural communities;

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(2) maximizing the impact of Federal investment to promote economic prosperity and quality of life in rural communities in the United States; and

(3) using innovation to resolve local and regional challenges faced by rural communities.

(b) ESTABLISHMENT.—

(1) There is established a Council on Rural Community Innovation and Economic Development (referred to in this section as the “Council”).

(2) The Council shall be the successor to the Interagency Task Force on Agriculture and Rural Prosperity established by Executive Order 13790.

(c) MEMBERSHIP.—

(1) IN GENERAL.—The membership of the Council shall be composed of the heads of the following executive branch departments, agencies, and offices:

- (A) The Department of Agriculture.
- (B) The Department of the Treasury.
- (C) The Department of Defense.
- (D) The Department of Justice.
- (E) The Department of the Interior.
- (F) The Department of Commerce.
- (G) The Department of Labor.
- (H) The Department of Health and Human Services.
- (I) The Department of Housing and Urban Development.

- (J) The Department of Transportation.
- (K) The Department of Energy.
- (L) The Department of Education.
- (M) The Department of Veterans Affairs.
- (N) The Department of Homeland Security.
- (O) The Environmental Protection Agency.
- (P) The Federal Communications Commission.
- (Q) The Office of Management and Budget.
- (R) The Office of Science and Technology Policy.
- (S) The Office of National Drug Control Policy.
- (T) The Council of Economic Advisers.
- (U) The Domestic Policy Council.
- (V) The National Economic Council.
- (W) The Small Business Administration.
- (X) The Council on Environmental Quality.
- (Y) The White House Office of Public Engagement.
- (Z) The White House Office of Cabinet Affairs.

(AA) Such other executive branch departments, agencies, and offices as the President or the Secretary may, from time to time, designate.

(2) CHAIR.—The Secretary shall serve as the Chair of the Council.

(3) DESIGNEES.—A member of the Council may designate, to perform the Council functions of the member, a senior-level official who is—

- (A) part of the department, agency, or office of the member; and
- (B) a full-time officer or employee of the Federal Government.

(4) ADMINISTRATION.—The Council shall coordinate policy development through the rural development mission area.

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(d) **FUNDING.**—The Secretary shall provide funding and administrative support for the Council to the extent permitted by law and within existing appropriations.

(e) **MISSION AND FUNCTION OF THE COUNCIL.**—The Council shall work across executive departments, agencies, and offices to coordinate development of policy recommendations—

(1) to maximize the impact of Federal investment on rural communities;

(2) to promote economic prosperity and quality of life in rural communities; and

(3) to use innovation to resolve local and regional challenges faced by rural communities.

(f) **DUTIES.**—The Council shall—

(1) make recommendations to the President, acting through the Director of the Domestic Policy Council and the Director of the National Economic Council, on streamlining and leveraging Federal investments in rural areas, where appropriate, to increase the impact of Federal dollars and create economic opportunities to improve the quality of life in rural areas in the United States;

(2) coordinate and increase the effectiveness of Federal engagement with rural stakeholders, including agricultural organizations, small businesses, education and training institutions, health-care providers, telecommunications services providers, electric service providers, transportation providers, research and land grant institutions, law enforcement, State, local, and tribal governments, and nongovernmental organizations regarding the needs of rural areas in the United States;

(3) coordinate Federal efforts directed toward the growth and development of rural geographic regions that encompass both metropolitan and nonmetropolitan areas;

(4) identify and facilitate rural economic opportunities associated with energy development, outdoor recreation, and other conservation related activities; and

(5) identify common economic and social challenges faced by rural communities that could be served through—

(A) better coordination of existing Federal and non-Federal resources; and

(B) innovative solutions utilizing governmental and nongovernmental resources.

(g) **EXECUTIVE DEPARTMENTS AND AGENCIES.**—

(1) **IN GENERAL.**—The heads of executive departments and agencies shall assist and provide information to the Council, consistent with applicable law, as may be necessary to carry out the functions of the Council.

(2) **EXPENSES.**—Each executive department or agency shall be responsible for paying any expenses of the executive department or agency for participating in the Council.

(h) **COUNCIL WORKING GROUPS.**—

(1) **IN GENERAL.**—The Council may establish, in addition to the working groups established under paragraph (3), such other working groups as necessary.

(2) **MEMBERSHIP.**—The Secretary shall include as members of each working group such Council members, other heads of Federal agencies (or their designees as defined in (d)(3)), and non-Federal partners as determined appropriate to the subject matter.

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(3) REQUIRED WORKING GROUPS.—The working groups specified in this paragraph are each of the following:

(A) THE RURAL SMART COMMUNITIES WORKING GROUP.—

(i) ESTABLISHMENT.—The Council shall establish a Rural Smart Communities Working Group.

(ii) DUTIES.—The Rural Smart Communities Working Group shall—

(I) not later than 1 year after the establishment of such Working Group, submit to Congress a report describing efforts of rural areas to integrate smart technology into their communities to solve challenges relating to governance, economic development, quality of life, or other relevant rural issues, as determined by the Secretary; and

(II) create, publish, and maintain a resource guide designed to assist States and other rural communities in developing and implementing rural smart community programs.

(iii) SMART COMMUNITY DEFINED.—For the purposes of this subparagraph, the term “smart community” means a community that has the ability to integrate multiple technological solutions, in a secure fashion, to manage a community’s assets, including local government information systems, schools, libraries, transportation systems, hospitals, power plants, law enforcement, and other community services with the goal of promoting quality of life through the use of technology in ways that improve the efficiency of services and meet residents’ needs.

(B) JOBS ACCELERATOR WORKING GROUP.—

(i) ESTABLISHMENT.—The Council shall establish a Jobs Accelerator Working Group.

(ii) GOALS.—The Jobs Accelerator Working Group shall support rural jobs accelerators (as defined in section 379I(a)(4) of the Consolidated Farm and Rural Development Act)—

(I) to improve the ability of rural communities to create high-wage jobs, accelerate the formation of new businesses with high-growth potential, and strengthen regional economies, including by helping to build capacity in the applicable region to achieve those goals; and

(II) to help rural communities identify and maximize local assets and connect to regional opportunities, networks, and industry clusters that demonstrate high growth potential.

(iii) DUTIES.—The Jobs Accelerator Working Group shall—

(I) provide the public with available information and technical assistance on Federal resources relevant to a project and region;

(II) establish a Federal support team comprised of staff from participating agencies in the working group that shall provide coordinated and dedicated support services to rural jobs accelerators; and

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(III) provide opportunities for rural jobs accelerators to share best practices and further collaborate with one another.

## **Subtitle D—Additional Amendments to the Consolidated Farm and Rural Development Act**

### **SEC. 6401. STRATEGIC ECONOMIC AND COMMUNITY DEVELOPMENT.**

Section 379H of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008v) is amended to read as follows:

#### **“SEC. 379H. STRATEGIC ECONOMIC AND COMMUNITY DEVELOPMENT.**

“(a) **IN GENERAL.**—In the case of any program under this title or administered by the Secretary, acting through the rural development mission area, as determined by the Secretary (referred to in this section as a ‘covered program’), the Secretary shall give priority to an application for a project that, as determined and approved by the Secretary—

“(1) meets the applicable eligibility requirements of this title or the other applicable authorizing law;

“(2) will be carried out in a rural area; and

“(3) supports the implementation of a strategic community investment plan described in subsection (d) on a multisectoral and multijurisdictional basis, to include considerations for improving and expanding broadband services as needed.

“(b) **RESERVE.**—

“(1) **IN GENERAL.**—Subject to paragraph (2), the Secretary shall reserve not more than 15 percent of the funds made available for a fiscal year for covered programs for projects that support the implementation of a strategic community investment plan described in subsection (d) on a multisectoral and multijurisdictional basis.

“(2) **PERIOD.**—Any funds reserved under paragraph (1) shall only be reserved for the 1-year period beginning on the date on which the funds were first made available, as determined by the Secretary.

“(c) **APPROVED APPLICATIONS.**—

“(1) **IN GENERAL.**—Subject to paragraph (2), any applicant who submitted an application under a covered program that was approved before the date of enactment of this section may amend the application to qualify for the funds reserved under subsection (b).

“(2) **RURAL UTILITIES.**—Any applicant who submitted an application under paragraph (2), (14), or (24) of section 306(a), or section 306A or 310B(b), that was approved by the Secretary before the date of enactment of this section shall be eligible for the funds reserved under subsection (b)—

“(A) on the same basis as an application submitted under this section; and

“(B) until September 30, 2019.

“(d) **STRATEGIC COMMUNITY INVESTMENT PLANS.**—

“(1) **IN GENERAL.**—The Secretary shall provide assistance to rural communities in developing strategic community investment plans.



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“(2) PLANS.—A strategic community investment plan described in paragraph (1) shall include—

“(A) a variety of activities designed to facilitate the vision of a rural community for the future, including considerations for improving and expanding broadband services as needed;

“(B) participation by multiple stakeholders, including local and regional partners;

“(C) leverage of applicable regional resources;

“(D) investment from strategic partners, such as—

“(i) private organizations;

“(ii) cooperatives;

“(iii) other government entities;

“(iv) Indian Tribes; and

“(v) philanthropic organizations;

“(E) clear objectives with the ability to establish measurable performance metrics;

“(F) action steps for implementation; and

“(G) any other elements necessary to ensure that the plan results in a comprehensive and strategic approach to rural economic development, as determined by the Secretary.

“(3) COORDINATION.—The Secretary shall coordinate with Indian Tribes and local, State, regional, and Federal partners to develop strategic community investment plans under this subsection.

“(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection \$5,000,000 for each of fiscal years 2019 through 2023, to remain available until expended.”.

**SEC. 6402. EXPANDING ACCESS TO CREDIT FOR RURAL COMMUNITIES.**

(a) CERTAIN PROGRAMS UNDER THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT.—Section 343(a)(13) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)(13)) is amended—

(1) in subparagraph (B)—

(A) in the heading, by striking “AND GUARANTEED”;

and

(B) in the text—

(i) by striking “and guaranteed”; and

(ii) by striking “(1), (2), and (24)” and inserting

“(1) and (2)”;

(2) in subparagraph (C)—

(A) by striking “and guaranteed”; and

(B) by striking “(21), and (24)” and inserting “and

(21)”.

(b) POPULATION CAPS FOR GUARANTEED LENDING.—Section 306(a)(24) of such Act (7 U.S.C. 1926(a)(24)) is amended by adding at the end the following:

“(D) PRIORITY.—

“(i) WATER OR WASTE FACILITY.—The Secretary shall prioritize water and waste facility projects under this paragraph in rural areas with a population of not more than 10,000 people.

“(ii) COMMUNITY FACILITY.—Of the funds made available to carry out this paragraph for community

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facility loan guarantees for a fiscal year the following amounts shall be reserved for projects in rural areas with a population of not more than 20,000 inhabitants:

“(I) 100 percent of the first \$200,000,000 so made available;

“(II) 50 percent of the next \$200,000,000 so made available; and

“(III) 25 percent of all amounts exceeding \$400,000,000 so made available,

except that, to the extent that the Secretary demonstrates that the funds so reserved are not needed to finance a community facility project in such a rural area, the Secretary may use the funds for other community facility projects in accordance with this paragraph.”.

**SEC. 6403. WATER, WASTE DISPOSAL, AND WASTEWATER FACILITY GRANTS.**

Section 306(a)(2)(B) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(2)(B)) is amended—

(1) in clause (iii), by striking “\$100,000” each place it appears and inserting “\$200,000”; and

(2) in clause (vii), by striking “\$30,000,000 for each of fiscal years 2008 through 2018” and inserting “\$15,000,000 for each of fiscal years 2019 through 2023”.

**SEC. 6404. RURAL WATER AND WASTEWATER TECHNICAL ASSISTANCE AND TRAINING PROGRAMS.**

Section 306(a)(14) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(14)) is amended—

(1) in subparagraph (A)—

(A) in clause (ii), by striking “and” at the end;

(B) in clause (iii), by striking the period and inserting a semicolon; and

(C) by adding at the end the following:

“(iv) identify options to enhance the long-term sustainability of rural water and waste systems, including operational practices, revenue enhancements, partnerships, consolidation, regionalization, or contract services; and

“(v) address the contamination of drinking water and surface water supplies by emerging contaminants, including per- and polyfluoroalkyl substances.”; and

(2) in subparagraph (C)—

(A) by striking “1 nor more than 3” and inserting “3 percent and not more than 5”; and

(B) by striking “1 per centum” and inserting “3 percent”.

**SEC. 6405. RURAL WATER AND WASTEWATER CIRCUIT RIDER PROGRAM.**

Section 306(a)(22)(B) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(22)(B)) is amended by striking “\$20,000,000 for fiscal year 2014 and each fiscal year thereafter” and inserting “\$25,000,000 for each of fiscal years 2019 through 2023”.

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**SEC. 6406. TRIBAL COLLEGE AND UNIVERSITY ESSENTIAL COMMUNITY FACILITIES.**

Section 306(a)(25)(C) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(25)(C)) is amended by striking “2018” and inserting “2023”.

**SEC. 6407. EMERGENCY AND IMMINENT COMMUNITY WATER ASSISTANCE GRANT PROGRAM.**

(a) IN GENERAL.—Section 306A of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926a) is amended—

(1) in subsection (b)(1), by striking “; and” and inserting the following: “, particularly to projects to address contamination that—

“(A) poses a threat to human health or the environment; and

“(B) was caused by circumstances beyond the control of the applicant for a grant, including circumstances that occurred over a period of time; and”;

(2) in subsection (d)(1)(D), by inserting “, other than those covered above for not to exceed 120 days when a more permanent solution is not feasible in a shorter time frame. Where drinking water supplies are inadequate due to an event, as determined by the Secretary, including drought, severe weather, or contamination, the Secretary may provide potable water for an additional period of time not to exceed an additional 120 days in order to protect public health” before the period;

(3) in subsection (e)(1)(B), by striking “according to the most recent decennial census of the United States”;

(4) in subsection (f)(1), by striking “\$500,000” and inserting “\$1,000,000”; and

(5) in subsection (i)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking “3 nor more than 5” and inserting “5 percent and not more than 7”; and

(ii) by striking subparagraph (B) and inserting the following:

“(B) RELEASE.—

“(i) IN GENERAL.—Funds reserved under subparagraph (A) for a fiscal year shall be reserved only until July 1 of the fiscal year.

“(ii) EXCEPTION.—Notwithstanding clause (i), in response to an eligible community where the drinking water supplies are inadequate, as determined by the Secretary, due to an event, including drought, severe weather, or contamination, the Secretary may use funds described in subparagraph (A) from July 1 through September 30 each fiscal year to provide potable water under this section in order to protect public health.”; and

(B) in paragraph (2), by striking “\$35,000,000 for each of fiscal years 2008 through 2018” and inserting “\$50,000,000 for each of fiscal years 2019 through 2023”.

(b) INTERAGENCY TASK FORCE ON RURAL WATER QUALITY.—

(1) IN GENERAL.—Not later than 90 days after the date of enactment of this section, the Secretary shall coordinate

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an interagency task force to examine drinking water and surface water contamination in rural communities, particularly rural communities that are in close proximity to active or decommissioned military installations in the United States.

(2) MEMBERSHIP.—The interagency task force shall consist of—

- (A) the Secretary;
- (B) the Secretary of the Army, acting through the Chief of Engineers;
- (C) the Secretary of Health and Human Services, acting through—
  - (i) the Director of the Agency for Toxic Substances and Disease Registry; and
  - (ii) the Director of the Centers for Disease Control and Prevention;
- (D) the Secretary of Housing and Urban Development;
- (E) the Secretary of the Interior, acting through—
  - (i) the Director of the United States Fish and Wildlife Service; and
  - (ii) the Director of the United States Geological Survey;
- (F) the Administrator of the Environmental Protection Agency; and
- (G) representatives from rural drinking and wastewater entities, State and community regulators, and appropriate scientific experts that reflect a diverse cross-section of the rural communities described in paragraph (1).

(3) REPORT.—

(A) IN GENERAL.—Not later than 360 days after the date of enactment of this section, the task force shall submit to the committees described in subparagraph (B) a report that—

- (i) examines, and identifies issues relating to, water contamination in rural communities, particularly rural communities that are in close proximity to active or decommissioned military installations in the United States;
- (ii) reviews the extent to which Federal, State, and local government agencies coordinate with one another to address the issues identified under clause (i);
- (iii) recommends how Federal, State, and local government agencies can work together in the most effective, efficient, and cost-effective manner practicable, to address the issues identified under clause (i); and
- (iv) recommends changes to existing statutory requirements, regulatory requirements, or both, to improve interagency coordination and responsiveness to address the issues identified under clause (i).

(B) COMMITTEES DESCRIBED.—The committees referred to in subparagraph (A) are—

- (i) the Committee on Agriculture of the House of Representatives;
- (ii) the Committee on Agriculture, Nutrition, and Forestry of the Senate;

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- (iii) the Committee on Energy and Commerce of the House of Representatives;
- (iv) the Committee on Environment and Public Works of the Senate;
- (v) the Committee on Armed Services of the House of Representatives; and
- (vi) the Committee on Armed Services of the Senate.

**SEC. 6408. WATER SYSTEMS FOR RURAL AND NATIVE VILLAGES IN ALASKA.**

Section 306D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926d) is amended—

(1) in subsection (a), by striking “Alaska for” and inserting “Alaska, a consortium formed pursuant to section 325 of the Department of the Interior and Related Agencies Appropriations Act, 1998 (Public Law 105–83; 111 Stat. 1597), and Native villages (as defined in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602)) for”;

(2) in subsection (b), by inserting “for any grant awarded under subsection (a)” before the period at the end; and

(3) in subsection (d)—

(A) in paragraph (1), by striking “2018” and inserting “2023”; and

(B) in paragraph (2), by striking “Alaska” and inserting “Alaska, and not more than 2 percent of the amount made available under paragraph (1) for a fiscal year may be used by a consortium formed pursuant to section 325 of the Department of the Interior and Related Agencies Appropriations Act, 1998 (Public Law 105–83; 111 Stat. 1597),”.

**SEC. 6409. RURAL DECENTRALIZED WATER SYSTEMS.**

Section 306E of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926e) is amended—

(1) by striking the section heading and inserting “**RURAL DECENTRALIZED WATER SYSTEMS**”;

(2) in subsection (a), by striking “100” and inserting “60”;

(3) in subsection (b)—

(A) in paragraph (1)—

(i) by inserting “and subgrants” after “loans”; and

(ii) by inserting “and individually owned household decentralized wastewater systems” after “well systems”;

(B) by striking paragraph (2) and inserting the following:

“(2) **TERMS AND AMOUNTS.**—

“(A) **TERMS OF LOANS.**—A loan made with grant funds under this section—

“(i) shall have an interest rate of 1 percent; and

“(ii) shall have a term not to exceed 20 years.

“(B) **AMOUNTS.**—A loan or subgrant made with grant funds under this section shall not exceed \$15,000 for each water well system or decentralized wastewater system described in paragraph (1).”; and

(C) by adding at the end the following:

“(4) **GROUND WELL WATER CONTAMINATION.**—In the event of ground well water contamination, the Secretary shall allow a loan or subgrant to be made with grant funds under this

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section for the installation of water treatment where needed beyond the point of entry, with or without the installation of a new water well system.”;

(4) in subsection (c), by striking “productive use of individually-owned household water well systems” and inserting “effective use of individually owned household water well systems, individually owned household decentralized wastewater systems,”; and

(5) in subsection (d)—

(A) by striking “\$5,000,000” and inserting “\$20,000,000”; and

(B) by striking “2014 through 2018” and inserting “2019 through 2023”.

**SEC. 6410. SOLID WASTE MANAGEMENT GRANTS.**

Section 310B(b)(2) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(b)(2)) is amended by striking “2018” and inserting “2023”.

**SEC. 6411. RURAL BUSINESS DEVELOPMENT GRANTS.**

Section 310B(c)(4)(A) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(c)(4)(A)) is amended by striking “2018” and inserting “2023”.

**SEC. 6412. RURAL COOPERATIVE DEVELOPMENT GRANTS.**

(a) **IN GENERAL.**—Section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(e)) is amended—

(1) in paragraph (10), by inserting “(including research and analysis based on data from the latest available Economic Census conducted by the Bureau of the Census)” after “conduct research”; and

(2) in paragraph (13), by striking “2018” and inserting “2023”.

(b) **TECHNICAL CORRECTION.**—Section 310B(e)(11)(B)(i) of such Act (7 U.S.C. 1932(e)(11)(B)(i)) is amended by striking “(12)” and inserting “(13)”.

**SEC. 6413. LOCALLY OR REGIONALLY PRODUCED AGRICULTURAL FOOD PRODUCTS.**

Section 310B(g)(9)(B)(iv)(I) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(g)(9)(B)(iv)(I)) is amended by striking “2018” and inserting “2023”.

**SEC. 6414. APPROPRIATE TECHNOLOGY TRANSFER FOR RURAL AREAS PROGRAM.**

Section 310B(i)(4) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(i)(4)) is amended by striking “2018” and inserting “2023”.

**SEC. 6415. RURAL ECONOMIC AREA PARTNERSHIP ZONES.**

Section 310B(j) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(j)) is amended by striking “2018” and inserting “2023”.

**SEC. 6416. INTEMEDIARY RELENDING PROGRAM.**

Section 310H of the Consolidated Farm and Rural Development Act (7 U.S.C. 1936b) is amended—

(1) by redesignating subsection (e) as subsection (i);

(2) by inserting after subsection (d) the following:



“(e) **LIMITATION ON LOAN AMOUNTS.**—The maximum amount of a loan by an eligible entity described in subsection (b) to individuals and entities for a project under subsection (c), including the unpaid balance of any existing loans, shall be the lesser of—

“(1) \$400,000; and

“(2) 50 percent of the loan to the eligible entity under subsection (a).

“(f) **APPLICATIONS.**—

“(1) **IN GENERAL.**—To be eligible to receive a loan or loan guarantee under subsection (a), an eligible entity described in subsection (b) shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

“(2) **EVALUATION.**—In evaluating applications submitted under paragraph (1), the Secretary shall—

“(A)(i) take into consideration the previous performance of an eligible entity in carrying out projects under subsection (c); and

“(ii) in the case of satisfactory performance under clause (i), require the eligible entity to contribute less equity for subsequent loans without modifying the priority given to subsequent applications; and

“(B) in assigning priorities to applications, require an eligible entity to demonstrate that it has a governing or advisory board made up of business, civic, and community leaders who are representative of the communities of the service area, without limitation to the size of the service area.

“(g) **RETURN OF EQUITY.**—The Secretary shall establish a schedule that is consistent with the amortization schedules of the portfolio of loans made or guaranteed under subsection (a) for the return of any equity contribution made under this section by an eligible entity described in subsection (b), if the eligible entity is—

“(1) current on all principal and interest payments; and

“(2) in compliance with loan covenants.

“(h) **REGULATIONS.**—The Secretary shall promulgate regulations and establish procedures reducing the administrative requirements on eligible entities described in subsection (b), including regulations to carry out the amendments made to this section by the Agriculture Improvement Act of 2018.”; and

(3) in subsection (i) (as so redesignated), by striking “2018” and inserting “2023”.

**SEC. 6417. ACCESS TO INFORMATION TO VERIFY INCOME FOR PARTICIPANTS IN CERTAIN RURAL HOUSING PROGRAMS.**

Section 331 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981), as amended by section 6210(a) of this Act, is amended by adding at the end the following:

“(f) **ACCESS TO INFORMATION TO VERIFY INCOME FOR PARTICIPANTS IN CERTAIN RURAL HOUSING PROGRAMS.**—The Secretary and the designees of the Secretary are hereby granted the same access to information and subject to the same requirements applicable to the Secretary of Housing and Urban Development as provided in section 453 of the Social Security Act (42 U.S.C. 653) and section 6103(l)(7)(D)(ix) of the Internal Revenue Code of 1986 (26 U.S.C. 6103(l)(7)(D)(ix)) to verify income for individuals participating in

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sections 502, 504, 521, and 542 of the Housing Act of 1949 (42 U.S.C. 1472, 1474, 1490a, and 1490r), notwithstanding section 453(1) of the Social Security Act.”.

**SEC. 6418. PROVIDING FOR ADDITIONAL FEES FOR GUARANTEED LOANS UNDER THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT.**

Section 333 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1983) is amended—

- (1) by striking “and” at the end of paragraph (5);
- (2) by striking the period at the end of paragraph (6) and inserting “; and”; and
- (3) by adding at the end the following:

“(7) in the case of an insured or guaranteed loan issued or modified under section 306(a), charge and collect from the lender fees in such amounts as to bring down the costs of subsidies for the insured or guaranteed loan, except that the fees shall not act as a bar to participation in the programs nor be inconsistent with current practices in the marketplace.”.

**SEC. 6419. RURAL BUSINESS-COOPERATIVE SERVICE PROGRAMS TECHNICAL ASSISTANCE AND TRAINING.**

The Consolidated Farm and Rural Development Act is amended by inserting after section 367, as added by section 5306 of this Act, the following:

7 USC 2008c.

**“SEC. 368. RURAL BUSINESS-COOPERATIVE SERVICE PROGRAMS TECHNICAL ASSISTANCE AND TRAINING.**

“(a) **IN GENERAL.**—The Secretary may make grants to public bodies, private nonprofit corporations, economic development authorities, institutions of higher education, federally recognized Indian Tribes, and rural cooperatives for the purpose of providing or obtaining technical assistance and training to support funding applications for programs carried out by the Secretary, acting through the Administrator of the Rural Business-Cooperative Service.

“(b) **PURPOSES.**—A grant under subsection (a) may be used—

- “(1) to assist communities in identifying and planning for business and economic development needs;
- “(2) to identify public and private resources to finance business and small and emerging business needs;
- “(3) to prepare reports and surveys necessary to request financial assistance for businesses in rural communities; and
- “(4) to prepare applications for financial assistance.

“(c) **SELECTION PRIORITY.**—In selecting recipients of grants under this section, the Secretary shall give priority to grants serving persistent poverty counties and high poverty communities, as determined by the Secretary.

“(d) **FUNDING.**—

“(1) **IN GENERAL.**—There is authorized to be appropriated to carry out this section \$5,000,000 for each of fiscal years 2019 through 2023, to remain available until expended.

“(2) **AVAILABILITY.**—Any amounts authorized to be appropriated under paragraph (1) for any fiscal year that are not appropriated for that fiscal year may be appropriated for the immediately succeeding fiscal year.”.

**SEC. 6420. NATIONAL RURAL DEVELOPMENT PARTNERSHIP.**

Section 378 of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008m) is amended in each of subsections (g)(1) and (h), by striking “2018” and inserting “2023” each place it appears.

**SEC. 6421. GRANTS FOR NOAA WEATHER RADIO TRANSMITTERS.**

Section 379B(d) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008p(d)) is amended by striking “2018” and inserting “2023”.

**SEC. 6422. RURAL MICROENTREPRENEUR ASSISTANCE PROGRAM.**

Section 379E of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008s) is amended—

(1) in subsection (b)(4)(B)(ii)—

(A) in the clause heading, by striking “MAXIMUM AMOUNT” and inserting “AMOUNT”;

(B) by inserting “not less than 20 percent and” before “not more than 25 percent”; and

(C) by striking the period at the end and inserting the following: “, subject to—

“(I) satisfactory performance by the microenterprise development organization under this section, and

“(II) the availability of funding.”; and

(2) by striking subsection (d) and inserting the following:

“(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section \$20,000,000 for each of fiscal years 2019 through 2023.”.

**SEC. 6423. HEALTH CARE SERVICES.**

Section 379G(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008u(e)) is amended by striking “2018” and inserting “2023”.

**SEC. 6424. RURAL INNOVATION STRONGER ECONOMY GRANT PROGRAM.**

Subtitle D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981 et seq.) is amended by adding at the end the following:

**“SEC. 379I. RURAL INNOVATION STRONGER ECONOMY GRANT PROGRAM.**

7 USC 2008w.

“(a) DEFINITIONS.—In this section:

“(1) ELIGIBLE ENTITY.—The term ‘eligible entity’ means a rural jobs accelerator partnership established after the date of enactment of this section that—

“(A) organizes key community and regional stakeholders into a working group that—

“(i) focuses on the shared goals and needs of the industry clusters that are objectively identified as existing, emerging, or declining;

“(ii) represents a region defined by the partnership in accordance with subparagraph (B);

“(iii) includes 1 or more representatives of—

“(I) an institution of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001));

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- “(II) a private entity; or
- “(III) a government entity; and
- “(iv) has, as a lead applicant—
  - “(I) a District Organization (as defined in section 300.3 of title 13, Code of Federal Regulations (or a successor regulation));
  - “(II) an Indian tribe (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304)), or a consortium of Indian tribes;
  - “(III) a State or a political subdivision of a State, including a special purpose unit of a State or local government engaged in economic development activities, or a consortium of political subdivisions;
  - “(IV) an institution of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)) or a consortium of institutions of higher education; or
  - “(V) a public or private nonprofit organization;
- and
- “(B) subject to approval by the Secretary, may—
  - “(i) serve a region that is—
    - “(I) a single jurisdiction; or
    - “(II) if the region is a rural area, multijurisdictional; and
  - “(ii) define the region that the partnership represents, if the region—
    - “(I) is large enough to contain critical elements of the industry cluster prioritized by the partnership;
    - “(II) is small enough to enable close collaboration among members of the partnership;
    - “(III) includes a majority of communities that are located in—
      - “(aa) a nonmetropolitan area that qualifies as a low-income community (as defined in section 45D(e) of the Internal Revenue Code of 1986); and
      - “(bb) an area that has access to or has a plan to achieve broadband service (within the meaning of title VI of the Rural Electrification Act of 1936 (7 U.S.C. 950bb et seq.)); and
    - “(IV)(aa) has a population of 50,000 or fewer inhabitants; or
    - “(bb) for a region with a population of more than 50,000 inhabitants, is the subject of a positive determination by the Secretary with respect to a rural-in-character petition, including such a petition submitted concurrently with the application of the partnership for a grant under this section.

“(2) INDUSTRY CLUSTER.—The term ‘industry cluster’ means a broadly defined network of interconnected firms and supporting institutions in related industries that accelerate innovation, business formation, and job creation by taking advantage of assets and strengths of a region in the business environment.

“(3) HIGH-WAGE JOB.—The term ‘high-wage job’ means a job that provides a wage that is greater than the median wage for the applicable region, as determined by the Secretary.

“(4) JOBS ACCELERATOR.—The term ‘jobs accelerator’ means a jobs accelerator center or program located in or serving a low-income rural community that may provide co-working space, in-demand skills training, entrepreneurship support, and any other services described in subsection (d)(1)(B).

“(5) SMALL AND DISADVANTAGED BUSINESS.—The term ‘small and disadvantaged business’ has the meaning given the term ‘small business concern owned and controlled by socially and economically disadvantaged individuals’ in section 8(d)(3)(C) of the Small Business Act (15 U.S.C. 637(d)(3)(C)).

“(b) ESTABLISHMENT.—

“(1) IN GENERAL.—The Secretary shall establish a grant program under which the Secretary shall award grants, on a competitive basis, to eligible entities to establish jobs accelerators, including related programming, that—

“(A) improve the ability of distressed rural communities to create high-wage jobs, accelerate the formation of new businesses with high-growth potential, and strengthen regional economies, including by helping to build capacity in the applicable region to achieve those goals; and

“(B) help rural communities identify and maximize local assets and connect to regional opportunities, networks, and industry clusters that demonstrate high growth potential.

“(2) COST-SHARING.—

“(A) IN GENERAL.—The Federal share of the cost of any activity carried out using a grant made under paragraph (1) shall be not greater than 80 percent.

“(B) IN-KIND CONTRIBUTIONS.—The non-Federal share of the total cost of any activity carried out using a grant made under paragraph (1) may be in the form of donations or in-kind contributions of goods or services fairly valued.

“(3) SELECTION CRITERIA.—In selecting eligible entities to receive grants under paragraph (1), the Secretary shall consider—

“(A) the commitment of participating core stakeholders in the jobs accelerator partnership, including a demonstration that—

“(i) investment organizations, including venture development organizations, venture capital firms, revolving loan funders, angel investment groups, community lenders, community development financial institutions, rural business investment companies, small business investment companies (as defined in section 103 of the Small Business Investment Act of 1958 (15 U.S.C. 662)), philanthropic organizations, and other institutions focused on expanding access to capital, are committed partners in the jobs accelerator partnership and willing to potentially invest in projects emerging from the jobs accelerator; and

“(ii) institutions of higher education, applied research institutions, workforce development entities, and community-based organizations are willing to partner with the jobs accelerator to provide workers

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with skills relevant to the industry cluster needs of the region, with an emphasis on the use of on-the-job training, registered apprenticeships, customized training, classroom occupational training, or incumbent worker training;

“(B) the ability of the eligible entity to provide the non-Federal share as required under paragraph (2);

“(C) the identification of a targeted industry cluster;

“(D) the ability of the partnership to link rural communities to markets, networks, industry clusters, and other regional opportunities and assets;

“(E) other grants or loans of the Secretary and other Federal agencies that the jobs accelerator would be able to leverage; and

“(F) prospects for the proposed center and related programming to have sustainability beyond the full maximum length of assistance under this subsection, including the maximum number of renewals.

“(4) GRANT TERM AND RENEWALS.—

“(A) TERM.—The initial term of a grant under paragraph (1) shall be 4 years.

“(B) RENEWAL.—The Secretary may extend the term of a grant under paragraph (1) for an additional period of not longer than 2 years if the Secretary is satisfied, using the evaluation under subsection (e)(2), that the grant recipient has successfully established a jobs accelerator and related programming.

“(5) GEOGRAPHIC DISTRIBUTION.—To the maximum extent practicable, the Secretary shall provide grants under paragraph (1) for jobs accelerators and related programming in not fewer than 25 States at any time.

“(c) GRANT AMOUNT.—A grant awarded under subsection (b) may be in an amount equal to—

“(1) not less than \$500,000; and

“(2) not more than \$2,000,000.

“(d) USE OF FUNDS.—

“(1) IN GENERAL.—Subject to paragraph (2), funds from a grant awarded under subsection (b) may be used—

“(A) to construct, purchase, or equip a building to serve as an innovation center;

“(B) to support programs to be carried out at, or in direct partnership with, the jobs accelerator that support the objectives of the jobs accelerator, including—

“(i) linking rural communities and entrepreneurs to markets, networks, industry clusters, and other regional opportunities to support high-wage job creation, new business formation, business expansion, and economic growth;

“(ii) integrating small businesses into a supply chain;

“(iii) creating or expanding commercialization activities for new business formation;

“(iv) identifying and building assets in rural communities that are crucial to supporting regional economies;

“(v) facilitating the repatriation of high-wage jobs to the United States;



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“(vi) supporting the deployment of innovative processes, technologies, and products;

“(vii) enhancing the capacity of small businesses in regional industry clusters, including small and disadvantaged businesses;

“(viii) increasing United States exports and business interaction with international buyers and suppliers;

“(ix) developing the skills and expertise of local workforces, entrepreneurs, and institutional partners to meet the needs of employers and prepare workers for high-wage jobs in the identified industry clusters, including the upskilling of incumbent workers;

“(x) ensuring rural communities have the capacity and ability to carry out projects relating to housing, community facilities, infrastructure, or community and economic development to support regional industry cluster growth; or

“(xi) any other activities that the Secretary may determine to be appropriate.

“(2) REQUIREMENT.—

“(A) IN GENERAL.—Subject to subparagraph (B), not more than 10 percent of a grant awarded under subsection (b) shall be used for indirect costs associated with administering the grant.

“(B) INCREASE.—The Secretary may increase the percentage described in subparagraph (A) on a case-by-case basis.

“(e) ANNUAL ACTIVITY REPORT AND EVALUATION.—Not later than 1 year after receiving a grant under this section, and annually thereafter for the duration of the grant, an eligible entity shall—

“(1) report to the Secretary on the activities funded with the grant; and

“(2)(A) evaluate the progress that the eligible entity has made toward the strategic objectives identified in the application for the grant; and

“(B) measure that progress using performance measures during the project period, which may include—

“(i) high-wage jobs created;

“(ii) high-wage jobs retained;

“(iii) private investment leveraged;

“(iv) businesses improved;

“(v) new business formations;

“(vi) new products or services commercialized;

“(vii) improvement of the value of existing products or services under development;

“(viii) regional collaboration, as measured by such metrics as—

“(I) the number of organizations actively engaged in the industry cluster;

“(II) the number of symposia held by the industry cluster, including organizations that are not located in the immediate region defined by the partnership; and

“(III) the number of further cooperative agreements;

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“(ix) the number of education and training activities relating to innovation;

“(x) the number of jobs relocated from outside of the United States to the region;

“(xi) the amount and number of new equity investments in industry cluster firms;

“(xii) the amount and number of new loans to industry cluster firms;

“(xiii) the dollar increase in exports resulting from the project activities;

“(xiv) the percentage of employees for which training was provided;

“(xv) improvement in sales of participating businesses;

“(xvi) improvement in wages paid at participating businesses;

“(xvii) improvement in income of participating workers;

or

“(xviii) any other measure the Secretary determines to be appropriate.

“(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$10,000,000 for each of fiscal years 2019 through 2023.”.

**SEC. 6425. DELTA REGIONAL AUTHORITY.**

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 382M(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009aa–12(a)) is amended by striking “2008 through 2018” and inserting “2019 through 2023”.

(b) TERMINATION OF AUTHORITY.—Section 382N of such Act (7 U.S.C. 2009aa–13) is amended by striking “2018” and inserting “2023”.

**SEC. 6426. RURAL BUSINESS INVESTMENT PROGRAM.**

(a) DEFINITIONS.—Section 384A of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009cc) is amended—

(1) in paragraph (2)—

(A) in the paragraph heading, by striking “VENTURE”;

and

(B) by striking “venture”; and

(2) by striking paragraph (4) and inserting the following:

“(4) EQUITY CAPITAL.—The term ‘equity capital’ means—

“(A) common or preferred stock or a similar instrument, including subordinated debt with equity features; and

“(B) any other type of equity-like financing that might be necessary to facilitate the purposes of this Act, excluding financing such as senior debt or other types of financing that competes with routine loanmaking of commercial lenders.”.

(b) PURPOSES.—Section 384B of such Act (7 U.S.C. 2009cc–1) is amended—

(1) in paragraph (1), by striking “venture”; and

(2) in paragraph (2)—

(A) in the matter preceding subparagraph (A), by striking “venture”; and

(B) in subparagraph (B), by striking “venture”.

(c) SELECTION OF RURAL BUSINESS INVESTMENT COMPANIES.—Section 384D(b)(1) of such Act (7 U.S.C. 2009cc–3(b)(1)) is amended by striking “developmental venture” and inserting “developmental”.

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(d) FEES.—Section 384G of such Act (7 U.S.C. 2009cc–6) is amended—

(1) in subsections (a) and (b), by striking “a fee that does not exceed \$500” each place it appears and inserting “such fees as the Secretary considers appropriate, so long as those fees are proportionally equal for each rural business investment company,”; and

(2) in subsection (c)(2)—

(A) in subparagraph (B), by striking “solely to cover the costs of licensing examinations” and inserting “as the Secretary considers appropriate”; and

(B) by striking subparagraph (C) and inserting the following:

“(C) shall be in such amounts as the Secretary considers appropriate.”.

(e) LIMITATION ON RURAL BUSINESS INVESTMENT COMPANIES CONTROLLED BY FARM CREDIT SYSTEM INSTITUTIONS.—Section 384J(c) of such Act (7 U.S.C. 2009cc–9(c)) is amended by striking “25” and inserting “50”.

(f) FLEXIBILITY ON SOURCES OF INVESTMENT OR CAPITAL.—Section 384J(a) of such Act (7 U.S.C. 2009cc–9(a)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and indenting appropriately;

(2) by striking the subsection designation and heading and all that follows through “Except as” in the matter preceding subparagraph (A) (as so redesignated) and inserting the following:

“(a) INVESTMENT.—

“(1) IN GENERAL.—Except as”; and

(3) by adding at the end the following:

“(2) LIMITATION ON REQUIREMENTS.—The Secretary may not require that an entity described in paragraph (1) provide investment or capital that is not required of other companies eligible to apply to operate as a rural business investment company under section 384D(a).”.

**SEC. 6427. RURAL BUSINESS INVESTMENT PROGRAM.**

Section 384S of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009cc–18) is amended by striking “2018” and inserting “2023”.

## **Subtitle E—Additional Amendments to the Rural Electrification Act of 1936**

**SEC. 6501. AMENDMENTS TO SECTION 2 OF THE RURAL ELECTRIFICATION ACT OF 1936.**

(a) ELECTRIC LOAN REFINANCING.—Section 2(a) of the Rural Electrification Act of 1936 (7 U.S.C. 902(a)) is amended by striking “loans in” and inserting “loans, or refinance loans made by the Secretary under this Act, in”.

(b) TECHNICAL ASSISTANCE FOR RURAL ELECTRIFICATION LOANS.—Section 2 of such Act (7 U.S.C. 902) is amended by adding at the end the following:

“(c) TECHNICAL ASSISTANCE.—Not later than 180 days after the date of enactment of this subsection, the Secretary shall enter into a memorandum of understanding with the Secretary of Energy

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under which the Secretary of Energy shall provide technical assistance to the Rural Utilities Service on loans to be made under subsection (a) of this section and section 4(a).”.

**SEC. 6502. LOANS FOR TELEPHONE SERVICE.**

Section 201 of the Rural Electrification Act of 1936 (7 U.S.C. 922) is amended—

(1) by striking the section designation and all that follows through “From such sums” and inserting the following:

**“SEC. 201. LOANS FOR TELEPHONE SERVICE.**

“From such sums”;

(2) in the second sentence, by striking “associations:” and all that follows through “same subscribers.” and inserting “associations.”; and

(3) in the sixth sentence, by striking “, nor shall such loan be made in any State” and all that follows through “writing)” in the seventh sentence and inserting the following: “and”.

**SEC. 6503. CUSHION OF CREDIT PAYMENTS PROGRAM.**

Section 313(a) of the Rural Electrification Act of 1936 (7 U.S.C. 940c(a)) is amended—

(1) in paragraph (1)—

(A) by striking “(1) IN GENERAL.—The” and inserting the following:

“(1) IN GENERAL.—

“(A) DEVELOPMENT AND PROMOTION OF PROGRAM.—The”; and

(B) by adding after and below the end the following:

“(B) TERMINATION.—Effective on the date of enactment of this subparagraph, no deposits may be made under subparagraph (A).”;

(2) in paragraph (2)—

(A) by striking “(2) INTEREST.—Amounts” and inserting the following:

“(2) INTEREST.—

“(A) IN GENERAL.—Amounts”; and

(B) by adding after and below the end the following:

“(B) REDUCTION.—Notwithstanding subparagraph (A), amounts in each cushion of credit account shall accrue interest to the borrower at a rate equal to—

“(i) 4 percent per annum in fiscal year 2021; and

“(ii) the then applicable 1-year Treasury rate thereafter.”; and

(3) in paragraph (3)—

(A) by striking “(3) BALANCE.—A” and inserting the following:

“(3) BALANCE.—

“(A) IN GENERAL.—A”; and

(B) by after and below the end the following:

“(B) PREPAYMENT.—Notwithstanding subparagraph (A) and subject to subparagraph (C), beginning on the date of the enactment of this subparagraph and ending with September 30, 2020, a borrower may, at the sole discretion of the borrower, reduce the balance of its cushion of credit account if the amount obtained from the reduction is used to prepay loans made or guaranteed under this Act.

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“(C) NO PREPAYMENT PREMIUM.—Notwithstanding any other provision of this Act, no prepayment premium shall be imposed or collected with respect to that portion of a loan that is prepaid by a borrower in accordance with subparagraph (B).

“(D) MANDATORY FUNDING.—Notwithstanding section 504 of the Federal Credit Reform Act of 1990, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall make available such sums as necessary to cover any loan modification costs as defined in section 502 of such Act.”.

**SEC. 6504. EXTENSION OF THE RURAL ECONOMIC DEVELOPMENT LOAN AND GRANT PROGRAM.**

(a) Section 12(b)(3)(D) of the Rural Electrification Act of 1936 (7 U.S.C. 912(b)(3)(D)) is amended by striking “313(b)(2)(A)” and inserting “313(b)(2)”.

(b) Section 313(b)(2) of such Act (7 U.S.C. 940c(b)(2)) is amended—

(1) by striking all that precedes “shall maintain” and inserting the following:

“(2) RURAL ECONOMIC DEVELOPMENT SUBACCOUNT.—The Secretary”; and

(2) by striking “the 5 percent” and all that follows through subparagraph (E) and inserting “5 percent.”.

(c) Title III of such Act (7 U.S.C. 931–940h) is amended by inserting after section 313A the following:

**“SEC. 313B. RURAL DEVELOPMENT LOANS AND GRANTS.**

7 USC 940c–2.

“(a) IN GENERAL.—The Secretary shall provide grants or zero interest loans to borrowers under this Act for the purpose of promoting rural economic development and job creation projects, including funding for project feasibility studies, start-up costs, incubator projects, and other reasonable expenses for the purpose of fostering rural development.

“(b) REPAYMENTS.—In the case of zero interest loans, the Secretary shall establish such reasonable repayment terms as will encourage borrower participation.

“(c) PROCEEDS.—All proceeds from the repayment of such loans made under this section shall be returned to the subaccount that the Secretary shall maintain in accordance with sections 313(b)(2) and 313B(f).

“(d) NUMBER OF GRANTS.—Loans and grants required under this section shall be made to the full extent of the amounts made available under subsection (e).

“(e) FUNDING.—

“(1) DISCRETIONARY FUNDING.—In addition to other funds that are available to carry out this section, there is authorized to be appropriated not more than \$10,000,000 for each of fiscal years 2019 through 2023 to carry out this section, to remain available until expended.

“(2) MANDATORY FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall credit to the subaccount to use for the cost of grants and loans under this section \$5,000,000 for each of fiscal years 2022 and 2023, to remain available until expended.

“(3) OTHER FUNDS.—In addition to the funds described in paragraphs (1) and (2), the Secretary shall use, without

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fiscal year limitation, to provide grants and loans under this section—

“(A) the interest differential sums credited to the sub-account described in subsection (c); and

“(B) subject to section 313A(e)(2), the fees described in subsection (c)(4) of such section.

“(f) MAINTENANCE OF ACCOUNT.—The Secretary shall maintain the subaccount described in section 313(b)(2), as in effect in fiscal year 2017, for purposes of carrying out this section.”

(d) Section 313A of the Rural Electrification Act of 1936 (7 U.S.C. 940c–1) is amended—

(1) in subsection (c)(4)—

(A) in subparagraph (A), by striking “maintained under section 313(b)(2)(A)” and inserting “that shall be maintained as required by sections 313(b)(2) and 313B(f)”; and

(B) in subparagraph (B), by striking “313(b)(2)(B)” and inserting “313(b)(2)”; and

(2) in subsection (e)(2), by striking “maintained under section 313(b)(2)(A)” and inserting “required to be maintained by sections 313(b)(2) and 313B(f)”.

(e)(1) Subject to section 313B(e) of the Rural Electrification Act of 1936 (as added by this section), the Secretary of Agriculture shall carry out the loan and grant program required under such section in the same manner as the loan and grant program under section 313(b)(2) of such Act is carried out on the day before the date of the enactment of this Act, until such time as any regulations necessary to carry out the amendments made by this section are fully implemented.

(2) Paragraph (1) shall take effect on the date of the enactment of this Act.

**SEC. 6505. GUARANTEES FOR BONDS AND NOTES ISSUED FOR ELECTRIFICATION OR TELEPHONE PURPOSES.**

(a) IN GENERAL.—Section 313A of the Rural Electrification Act of 1936 (7 U.S.C. 940c–1) is amended—

(1) in subsection (a)—

(A) by striking “Subject to” and inserting the following: “(1) GUARANTEES.—Subject to”;

(B) in paragraph (1) (as so designated), by striking “basis” and all that follows through the period at the end and inserting “basis, if the proceeds of the bonds or notes are used to make utility infrastructure loans, or refinance bonds or notes issued for those purposes, to a borrower that has at any time received, or is eligible to receive, a loan under this Act.”; and

(C) by adding at the end the following:

“(2) TERMS.—A bond or note guaranteed under this section shall, by agreement between the Secretary and the borrower—

“(A) be for a term of 30 years (or another term of years that the Secretary determines is appropriate); and

“(B) be repaid by the borrower—

“(i) in periodic installments of principal and interest;

“(ii) in periodic installments of interest and, at the end of the term of the bond or note, as applicable, by the repayment of the outstanding principal; or

7 USC 940c–2  
note.



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- “(iii) through a combination of the methods described in clauses (i) and (ii).”;
- (2) in subsection (b)—
- (A) in paragraph (1), by striking “electrification” and all that follows through the period at the end and inserting “purposes described in subsection (a)(1).”;
- (B) by striking paragraph (2);
- (C) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively; and
- (D) in paragraph (2) (as so redesignated)—
- (i) in subparagraph (A), by striking “for electrification or telephone purposes” and inserting “for eligible purposes described in subsection (a)(1).”; and
- (ii) in subparagraph (C), by striking “subsection (a)” and inserting “subsection (a)(1).”; and
- (3) in subsection (f), by striking “2018” and inserting “2023”.

(b) ADMINISTRATION.—Beginning on the date of enactment of the Agriculture Improvement Act of 2018, the Secretary shall continue to carry out section 313A of the Rural Electrification Act of 1936 (7 U.S.C. 940c–1) (as amended by subsection (a)) under a Notice of Solicitation of Applications until the date on which any regulations necessary to carry out the amendments made by subsection (a) are fully implemented.

7 USC 940c–1 note.

**SEC. 6506. EXPANSION OF 911 ACCESS.**

Section 315 of the Rural Electrification Act of 1936 (7 U.S.C. 940e) is amended—

- (1) in subsection (a)(2), by striking “commercial or transportation” and inserting “critical transportation-related”; and
- (2) in subsection (d), by striking “2018” and inserting “2023”.

**SEC. 6507. CYBERSECURITY AND GRID SECURITY IMPROVEMENTS.**

Title III of the Rural Electrification Act of 1936 (7 U.S.C. 931 et seq.) is amended by adding at the end the following:

**“SEC. 319. CYBERSECURITY AND GRID SECURITY IMPROVEMENTS.**

7 USC 940i.

“(a) DEFINITION OF CYBERSECURITY AND GRID SECURITY IMPROVEMENTS.—In this section, the term ‘cybersecurity and grid security improvements’ means investment in the development, expansion, and modernization of rural utility infrastructure that addresses known cybersecurity and grid security risks.

“(b) LOANS AND LOAN GUARANTEES.—The Secretary may make or guarantee loans under this title and title I for cybersecurity and grid security improvements.”.

## Subtitle F—Program Repeals

**SEC. 6601. ELIMINATION OF UNFUNDED PROGRAMS.**

(a) CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT.—

(1) REPEALERS.—The following provisions of the Consolidated Farm and Rural Development Act are hereby repealed:

- (A) Section 306(a)(23) (7 U.S.C. 1926(a)(23)).
- (B) Section 310B(f) (7 U.S.C. 1932(f)).
- (C) Section 379 (7 U.S.C. 2008n).
- (D) Section 379A (7 U.S.C. 2008o).
- (E) Section 379C (7 U.S.C. 2008q).

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(F) Section 379D (7 U.S.C. 2008r).

(G) Section 379F (7 U.S.C. 2008t).

(H) Subtitle I (7 U.S.C. 2009dd–2009dd–7).

(2) CONFORMING AMENDMENT.—Section 333A(h) of such Act (7 U.S.C. 1983a(h)) is amended by striking “310B(f),”.

(b) RURAL ELECTRIFICATION ACT OF 1936.—Section 314 of the Rural Electrification Act of 1936 (7 U.S.C. 940d) is hereby repealed.

**SEC. 6602. REPEAL OF RURAL TELEPHONE BANK.**

(a) REPEAL.—Title IV of the Rural Electrification Act of 1936 (7 U.S.C. 941–950b) is repealed.

(b) CONFORMING AMENDMENTS.—

(1) Section 18 of such Act (7 U.S.C. 918) is amended in each of subsections (a) and (b) by striking “and the Governor of the telephone bank”.

(2) Section 204 of such Act (7 U.S.C. 925) is amended by striking “and the Governor of the telephone bank”.

(3) Section 205(a) of such Act (7 U.S.C. 926) is amended—

(A) in the matter preceding paragraph (1), by striking “and the Governor of the telephone bank”; and

(B) in paragraph (2), by striking “or the Governor of the telephone bank”.

(4) Section 206(a) of such Act (7 U.S.C. 927(a)) is amended—

(A) in the matter preceding paragraph (1), by striking “and the Governor of the telephone bank”;

(B) by striking paragraph (1);

(C) in paragraph (4), by striking “or 408”; and

(D) by redesignating paragraphs (2) through (4) as paragraphs (1) through (3), respectively.

(5) Section 206(b) of such Act (7 U.S.C. 927(b)) is amended—

(A) in the matter preceding paragraph (1), by striking “and the Governor of the telephone bank”;

(B) in paragraph (1), by striking “, or a Rural Telephone Bank loan,”; and

(C) in paragraph (2), by striking “, the Rural Telephone Bank,”.

(6) Section 207(1) of such Act (7 U.S.C. 928(1)) is amended—

(A) by striking “305,” and inserting “305 or”; and

(B) by striking “, or a loan under section 408,”.

(7) Section 301 of such Act (7 U.S.C. 931) is amended—

(A) in paragraph (3), by striking “except for net collection proceeds previously appropriated for the purchase of class A stock in the Rural Telephone Bank,”;

(B) by adding “or” at the end of paragraph (4);

(C) by striking “; and” at the end of paragraph (5) and inserting a period; and

(D) by striking paragraph (6).

(8) Section 305(d)(2)(B) of such Act (7 U.S.C. 935(d)(2)(B)) is amended—

(A) in clause (i), by striking “and a loan under section 408”; and

(B) in clause (ii), by striking “and under section 408” each place it appears.

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(9) Section 305(d)(3)(C) of such Act (7 U.S.C. 935(d)(3)(C)) is amended by striking “and section 408(b)(4)(C), the Secretary and the Governor of the telephone bank” and inserting “the Secretary”.

(10) Section 306 of such Act (7 U.S.C. 936) is amended by striking “the Rural Telephone Bank, National Rural Utilities Cooperative Finance Corporation,” and inserting “the National Rural Utilities Cooperative Finance Corporation”.

(11) Section 309 of such Act (7 U.S.C. 739) is amended by striking the last sentence.

(12) Section 2352(b) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 901 note) is amended by striking “the Rural Telephone Bank and”.

(13) The first section of Public Law 92–12 (7 U.S.C. 921a) is repealed.

(14) The first section of Public Law 92–324 (7 U.S.C. 921b) is repealed.

(15) Section 1414 of the Omnibus Budget Reconciliation Act of 1987 (7 U.S.C. 944a) is repealed.

(16) Section 1411 of the Omnibus Budget Reconciliation Act of 1987 (7 U.S.C. 948 notes) is amended by striking subsections (a) and (b).

(17) Section 3.8(b)(1)(A) of the Farm Credit Act of 1971 (12 U.S.C. 2129(b)(1)(A)) is amended by striking “or a loan or loan commitment from the Rural Telephone Bank,”.

(18) Section 105(d) of the National Consumer Cooperative Bank Act (12 U.S.C. 3015(d)) is amended by striking “the Rural Telephone Bank,”.

(19) Section 9101 of title 31, United States Code, is amended—

(A) in paragraph (2), by striking subparagraph (H) and redesignating subparagraphs (I), (J), and (K) as subparagraphs (H), (I), and (J), respectively; and

(B) in paragraph (3), by striking subparagraphs (K) and (O) and redesignating subparagraphs (L) through (N) and (P) through (R) as subparagraphs (K) through (P), respectively.

(20) Section 9108(d)(2) of title 31, United States Code, is amended by striking “the Rural Telephone Bank (when the ownership, control, and operation of the Bank are converted under section 410(a) of the Rural Electrification Act of 1936 (7 U.S.C. 950(a))),”.

#### SEC. 6603. AMENDMENTS TO LOCAL TV ACT.

The Launching Our Communities’ Access to Local Television Act of 2000 (title X of H.R. 5548 of the 106th Congress, as enacted by section 1(a)(2) of Public Law 106–553; 114 Stat. 2762A–128) is amended—

(1) by striking the title heading and inserting the following:

### **“TITLE X—SATELLITE CARRIER RETRANSMISSION ELIGIBILITY”;**

(2) by striking sections 1001 through 1007 and 1009 through 1012; and

(3) by redesignating section 1008 as section 1001.

47 USC 1101  
and note,  
1102–1110.

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## Subtitle G—Technical Corrections

### SEC. 6701. CORRECTIONS RELATING TO THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT.

(a)(1) Section 306(a)(19)(A) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(19)(A)) is amended by inserting after “nonprofit corporations” the following: “, Indian Tribes (as defined in section 4(e) of the Indian Self-Determination and Education Assistance Act)”.

7 USC 1926 note.

(2) The amendment made by this subsection shall take effect as if included in section 773 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (H.R. 5426 of the 106th Congress, as enacted by Public Law 106–387 (114 Stat. 1549A–45)) in lieu of the amendment made by such section.

(b)(1) Section 309A(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1929a(b)) is amended by striking “and section 308”.

7 USC 1929a note.

(2) The amendment made by this subsection shall take effect as if included in the enactment of section 661(c)(2) of the Federal Agricultural Improvement and Reform Act of 1996 (Public Law 104–127).

(c) Section 310B(c)(3)(A)(v) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(c)(3)(A)(v)) is amended by striking “and” after the semicolon and inserting “or”.

(d)(1) Section 310B(e)(5)(F) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(e)(5)(F)) is amended by inserting “, except that the Secretary shall not require non-Federal financial support in an amount that is greater than 5 percent in the case of a 1994 institution (as defined in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382))” before the period at the end.

7 USC 1932 note.

(2) The amendment made by this subsection shall take effect as if included in the enactment of section 6015 of the Farm Security and Rural Investment Act of 2002 (Public Law 107–171).

(e)(1) Section 381E(d)(3) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009d(d)(3)) is amended by striking subparagraph (A) and redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively.

7 USC 2009d note.

(2) The amendment made by paragraph (1) shall take effect as if included in the enactment of section 6012(b) of the Agricultural Act of 2014 (Public Law 113–79).

(f)(1) Section 382A of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009aa) is amended by adding at the end the following:

“(4) Notwithstanding any other provision of law, the State of Alabama shall be a full member of the Delta Regional Authority and shall be entitled to all rights and privileges that said membership affords to all other participating States in the Delta Regional Authority.”.

7 USC 2009aa note.

(2) The amendment made by this subsection shall take effect as if included in the enactment of section 153(b) of division B of H.R. 5666, as introduced in the 106th Congress, and as enacted by section 1(4) of the Consolidated Appropriations Act, 2001 (Appendix D of Public Law 106–554; 114 Stat. 2763A–252).

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(g) Section 382E(a)(1)(B) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009aa-4(a)(1)(B)) is amended by moving clause (iv) 2 ems to the right.

(h) Section 383G(c) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009bb-5(c)) is amended—

(1) in the subsection heading by striking “TELECOMMUNICATION RENEWABLE ENERGY,” and inserting “TELECOMMUNICATION, RENEWABLE ENERGY,”; and

(2) in the text, by striking “,” and inserting a comma.

**SEC. 6702. CORRECTIONS RELATING TO THE RURAL ELECTRIFICATION ACT OF 1936.**

Section 201 of the Rural Electrification Act of 1936 (7 U.S.C. 922) is amended—

(1) in the 3rd sentence by striking “wildest” and inserting “widest”; and

(2) in the 6th sentence, by striking “centifies” and inserting “certifies”.

**TITLE VII—RESEARCH, EXTENSION,  
AND RELATED MATTERS**

**Subtitle A—National Agricultural Research, Extension, and Teaching Policy Act of 1977**

**SEC. 7101. PURPOSES OF AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION.**

Section 1402 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3101) is amended—

(1) in paragraph (7), by striking “and” at the end;

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

(3) by adding at the end the following:

“(9) support international collaboration that leverages resources and advances priority food and agricultural interests of the United States, such as—

“(A) addressing emerging plant and animal diseases;

“(B) improving crop varieties and animal breeds; and

“(C) developing safe, efficient, and nutritious food systems.”.

**SEC. 7102. MATTERS RELATED TO CERTAIN SCHOOL DESIGNATIONS AND DECLARATIONS.**

(a) IN GENERAL.—Section 1404(14) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103(14)) is amended—

(1) by amending subparagraph (A) to read as follows:

“(A) IN GENERAL.—

“(i) DEFINITION.—The terms ‘NLGCA Institution’ and ‘non-land-grant college of agriculture’ mean a public college or university offering a baccalaureate or higher degree in the study of agricultural sciences, forestry, or both in any area of study specified in clause (ii).

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“(ii) CLARIFICATION.—For purposes of clause (i), an area of study specified in this clause is any of the following:

“(I) Agriculture.

“(II) Agricultural business and management.

“(III) Agricultural economics.

“(IV) Agricultural mechanization.

“(V) Agricultural production operations.

“(VI) Aquaculture.

“(VII) Agricultural and food products processing.

“(VIII) Agricultural and domestic animal services.

“(IX) Equestrian or equine studies.

“(X) Applied horticulture or horticulture operations.

“(XI) Ornamental horticulture.

“(XII) Greenhouse operations and management.

“(XIII) Turf and turfgrass management.

“(XIV) Plant nursery operations and management.

“(XV) Floriculture or floristry operations and management.

“(XVI) International agriculture.

“(XVII) Agricultural public services.

“(XVIII) Agricultural and extension education services.

“(XIX) Agricultural communication or agricultural journalism.

“(XX) Animal sciences.

“(XXI) Food science.

“(XXII) Plant sciences.

“(XXIII) Soil sciences.

“(XXIV) Forestry.

“(XXV) Forest sciences and biology.

“(XXVI) Natural resources or conservation.

“(XXVII) Natural resources management and policy.

“(XXVIII) Natural resource economics.

“(XXIX) Urban forestry.

“(XXX) Wood science and wood products or pulp or paper technology.

“(XXXI) Range science and management.

“(XXXII) Agricultural engineering.

“(XXXIII) Any other area, as determined appropriate by the Secretary.”; and

(2) in subparagraph (C)—

(A) in the matter preceding clause (i), by inserting “any institution designated under” after “include”;

(B) by striking clause (i); and

(C) in clause (ii)—

(i) by striking “(ii) any institution designated under—”;

(ii) by striking subclause (IV);

(iii) in subclause (II), by adding “or” at the end;



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(iv) in subclause (III), by striking “; or” at the end and inserting a period; and

(v) by redesignating subclauses (I), (II), and (III) (as so amended) as clauses (i), (ii), and (iii), respectively, and by moving the margins of such clauses (as so redesignated) two ems to the left.

(b) DESIGNATION REVIEW.—

7 USC 3103 note.

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall establish a process to review each designated NLGCA Institution (as defined in section 1404(14)(A) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103(14)(A))) to ensure compliance with such section, as amended by this subsection.

(2) REVOCATION.—An NLGCA Institution that the Secretary determines under subparagraph (A) to be not in compliance shall have the designation of such institution revoked.

**SEC. 7103. NATIONAL AGRICULTURAL RESEARCH, EXTENSION, EDUCATION, AND ECONOMICS ADVISORY BOARD.**

Section 1408 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking “25” and inserting “15”; and

(B) by amending paragraph (3) to read as follows:

“(3) MEMBERSHIP CATEGORIES.—The Advisory Board shall consist of members from each of the following categories:

“(A) 3 members representing national farm or producer organizations, which may include members—

“(i) representing farm cooperatives;

“(ii) who are producers actively engaged in the production of a food animal commodity and who are recommended by a coalition of national livestock organizations;

“(iii) who are producers actively engaged in the production of a plant commodity and who are recommended by a coalition of national crop organizations;

or

“(iv) who are producers actively engaged in aquaculture and who are recommended by a coalition of national aquacultural organizations.

“(B) 2 members representing academic or research societies, which may include members representing—

“(i) a national food animal science society;

“(ii) a national crop, soil, agronomy, horticulture, plant pathology, or weed science society;

“(iii) a national food science organization;

“(iv) a national human health association; or

“(v) a national nutritional science society.

“(C) 5 members representing agricultural research, extension, and education, which shall include each of the following:

“(i) 1 member representing the land-grant colleges and universities eligible to receive funds under the Act of July 2, 1862 (7 U.S.C. 301 et seq.).

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“(ii) 1 member representing the land-grant colleges and universities eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321 et seq.), including Tuskegee University.

“(iii) 1 member representing the 1994 Institutions (as defined in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382)).

“(iv) 1 member representing NLGCA Institutions or Hispanic-serving institutions.

“(v) 1 member representing American colleges of veterinary medicine.

“(D) 5 members representing industry, consumer, or rural interests, including members representing—

“(i) entities engaged in transportation of food and agricultural products to domestic and foreign markets;

“(ii) food retailing and marketing interests;

“(iii) food and fiber processors;

“(iv) rural economic development interests;

“(v) a national consumer interest group;

“(vi) a national forestry group;

“(vii) a national conservation or natural resource group;

“(viii) a national social science association;

“(ix) private sector organizations involved in international development; or

“(x) a national association of agricultural economists.”;

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking “review and” and inserting “make recommendations, review, and”;

(ii) by striking subparagraph (A) and inserting the following new subparagraph:

“(A) long-term and short-term national policies and priorities consistent with the—

“(i) purposes specified in section 1402 for agricultural research, extension, education, and economics; and

“(ii) priority areas of the Agriculture and Food Research Initiative specified in subsection (b)(2) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 3157(b)(2));”;

(iii) by amending subparagraph (B) to read as follows:

“(B) the annual establishment of national priorities that are in accordance with the priority areas of the Agriculture and Food Research Initiative specified in subsection (b)(2) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 3157(b)(2)).”;

(B) in paragraph (2), by inserting “and make recommendations to the Secretary based on such evaluation” after “priorities”; and

(C) in paragraph (4), by inserting “and make recommendations on” after “review”; and

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(3) in subsection (h), by striking “2018” and inserting “2023”.

**SEC. 7104. SPECIALTY CROP COMMITTEE.**

Section 1408A(a)(2) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123a(a)(2)) is amended—

(1) in subparagraph (A), by striking “speciality” and inserting “specialty”;

(2) in subparagraph (B)—

(A) in the matter preceding clause (i), by striking “9” and inserting “11”; and

(B) in clause (i), by striking “Three” and inserting “Five”; and

(3) in subparagraph (D), by striking “2018” and inserting “2023”.

**SEC. 7105. RENEWABLE ENERGY COMMITTEE DISCONTINUED.**

Subtitle B of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3121 et seq.) is amended by striking section 1408B.

7 USC 3123b.

**SEC. 7106. VETERINARY SERVICES GRANT PROGRAM.**

Section 1415B of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3151b) is amended—

(1) in subsection (d)(1), by adding at the end the following:

“(F) To expose students in grades 11 and 12 to education and career opportunities in food animal medicine.”; and

(2) in subsection (h)—

(A) by striking the subsection designation and heading and inserting the following:

“(h) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—”; and

(B) by adding at the end the following:

“(2) PRIORITY.—From amounts made available for grants under this section, the Secretary shall prioritize grant awards for programs or activities with a focus on the practice of food animal medicine.”.

**SEC. 7107. GRANTS AND FELLOWSHIPS FOR FOOD AND AGRICULTURE SCIENCES EDUCATION.**

Section 1417(m)(2) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3152(m)(2)) is amended by striking “2018” and inserting “2023”.

**SEC. 7108. AGRICULTURAL AND FOOD POLICY RESEARCH CENTERS.**

Section 1419A(e) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3155(e)) is amended by striking “2018” and inserting “2023”.

**SEC. 7109. EDUCATION GRANTS TO ALASKA NATIVE SERVING INSTITUTIONS AND NATIVE HAWAIIAN SERVING INSTITUTIONS.**

Section 1419B of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3156) is amended—

(1) in subsection (a)(3), by striking “2018” and inserting “2023”; and

(2) in subsection (b)(3), by striking “2018” and inserting “2023”.

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**SEC. 7110. NEXT GENERATION AGRICULTURE TECHNOLOGY CHALLENGE.**

Subtitle C of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3151 et seq.) is amended by adding at the end the following:

7 USC 3158.

**“SEC. 1419C. NEXT GENERATION AGRICULTURE TECHNOLOGY CHALLENGE.**

“(a) IN GENERAL.—The Secretary shall establish a next generation agriculture technology challenge competition to provide an incentive for the development of innovative mobile technology that removes barriers to entry in the marketplace for beginning farmers and ranchers (as defined in subsection (a) of section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279)).

“(b) AMOUNT.—The Secretary may award not more than \$1,000,000 in the aggregate to 1 or more winners of the competition under subsection (a).”.

**SEC. 7111. LAND-GRANT DESIGNATION.**

Subtitle C of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3151 et seq.), as amended by section 7110, is further amended by adding at the end the following new section:

7 USC 3159.

**“SEC. 1419D. LAND-GRANT DESIGNATION.**

“(a) PROHIBITION ON DESIGNATION.—

“(1) IN GENERAL.—Notwithstanding any other provision of law and except as provided in paragraphs (2) and (3), beginning on the date of the enactment of this section, no additional entity may be designated as eligible to receive funds under a covered program.

“(2) 1994 INSTITUTIONS.—The prohibition under paragraph (1) with respect to the designation of an entity eligible to receive funds under a covered program shall not apply in the case of the certification of a 1994 Institution under section 2 of Public Law 87–788 (commonly known as the “McIntire-Stennis Cooperative Forestry Act”) (16 U.S.C. 582a–1).

“(3) EXTRAORDINARY CIRCUMSTANCES.—In the case of extraordinary circumstances or a situation that would lead to an inequitable result, as determined by the Secretary, the Secretary may determine that an entity designated after the date of enactment of this section is eligible to receive funds under a covered program.

“(b) STATE FUNDING.—No State shall receive an increase in funding under a covered program as a result of the State’s designation of additional entities as eligible to receive such funding.

“(c) COVERED PROGRAM DEFINED.—For purposes of this section, the term ‘covered program’ means agricultural research, extension, education, and related programs or grants established or available under any of the following:

“(1) Subsections (b), (c), and (d) of section 3 of the Smith-Lever Act (7 U.S.C. 343).

“(2) The Hatch Act of 1887 (7 U.S.C. 361a et seq.).

“(3) Sections 1444, 1445, and 1447.

“(4) Public Law 87–788 (commonly known as the McIntire-Stennis Cooperative Forestry Act; 16 U.S.C. 582a et seq.).

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“(d) **RULE OF CONSTRUCTION.**—Nothing in this section shall be construed as limiting eligibility for a capacity and infrastructure program specified in section 251(f)(1)(C) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6971(f)(1)(C)) that is not a covered program.”.

**SEC. 7112. NUTRITION EDUCATION PROGRAM.**

Section 1425 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3175) is amended—

(1) by redesignating subsection (f) as subsection (g);

(2) by inserting after subsection (e) the following:

“(f) **COORDINATION.**—Projects carried out with funds made available under section 3(d) of the Act of May 8, 1914 (7 U.S.C. 343(d)), to carry out the program established under subsection (b) may be coordinated with the nutrition education and obesity prevention grant program under section 28 of the Food and Nutrition Act of 2008 (7 U.S.C. 2036a) or another health promotion or nutrition improvement strategy, whether publicly or privately funded, as determined by the Secretary.”; and

(3) in subsection (g) (as so redesignated), by striking “2018” and inserting “2023”.

**SEC. 7113. CONTINUING ANIMAL HEALTH AND DISEASE RESEARCH PROGRAMS.**

Section 1433(c)(1) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3195(c)(1)) is amended by striking “2018” and inserting “2023”.

**SEC. 7114. CARRYOVER OF FUNDS FOR EXTENSION AT 1890 LAND-GRANT COLLEGES, INCLUDING TUSKEGEE UNIVERSITY.**

Section 1444(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3221(a)) is amended by striking paragraph (4).

**SEC. 7115. EXTENSION AND AGRICULTURAL RESEARCH AT 1890 LAND-GRANT COLLEGES, INCLUDING TUSKEGEE UNIVERSITY.**

(a) **EXTENSION.**—Section 1444(b) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3221(b)) is amended—

(1) in the undesignated matter following paragraph (2)(B)—

(A) by striking “paragraph (2) of this subsection” and inserting “this paragraph”; and

(B) by striking “In computing” and inserting the following:

“(C) In computing”;

(2) in paragraph (2)—

(A) in subparagraph (B), by striking “Of the remainder” and inserting “Except as provided in paragraph (4), of the remainder”; and

(B) by striking “(2) any funds” and inserting the following:

“(3) **ADDITIONAL AMOUNT.**—Any funds”;

(3) in paragraph (1)—

(A) by striking “are allocated” and inserting “were allocated”; and

(B) by striking “; and” and inserting “, as so designated as of that date.”;

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(4) by striking “(b) Beginning” in the matter preceding paragraph (1) and all that follows through “any funds” in paragraph (1) and inserting the following:

“(b) DISTRIBUTION OF FUNDS.—

“(1) IN GENERAL.—Funds made available under this section shall be distributed among eligible institutions in accordance with this subsection.

“(2) BASE AMOUNT.—Any funds”; and

(5) by adding at the end the following:

“(4) SPECIAL AMOUNTS.—

“(A) DEFINITIONS.—In this paragraph:

“(i) COVERED FISCAL YEAR.—The term ‘covered fiscal year’ means the fiscal year for which the qualified institution first received an allocation of \$3,000,000 under subparagraph (B)(i).

“(ii) OTHER ELIGIBLE INSTITUTION.—The term ‘other eligible institution’ means an eligible institution, other than the qualified eligible institution, receiving an allocation of funds under this section.

“(iii) QUALIFIED ELIGIBLE INSTITUTION.—The term ‘qualified eligible institution’ means the eligible institution described in subparagraph (B)(i).

“(B) FISCAL YEAR 2019, 2020, 2021, OR 2022.—

“(i) IN GENERAL.—Subject to clause (ii), for 1 of fiscal year 2019, 2020, 2021, or 2022, if the calculation under paragraph (3)(B) would result in a distribution for a fiscal year of less than \$3,000,000 to an eligible institution that first received funds under this section on a date occurring after the date of enactment of the Agricultural Act of 2014 (Public Law 113–79; 128 Stat. 649) and before September 30, 2018, that institution shall receive an allocation of \$3,000,000 for that fiscal year.

“(ii) LIMITATION.—Clause (i) shall apply only if amounts are appropriated under this section in an amount sufficient to provide that each other eligible institution receiving an allocation of funds under this section for fiscal year 2019, 2020, 2021, or 2022, as applicable, receives not less than the amount of funds received by that other eligible institution under this section for the preceding fiscal year.

“(C) SUBSEQUENT FISCAL YEARS.—

“(i) MINIMUM ADDITIONAL FUNDING AMOUNTS.—Subject to clauses (ii) and (iii), for each fiscal year following the covered fiscal year—

“(I) the qualified eligible institution shall receive an allocation under this subsection of at least \$3,000,000; and

“(II) each other eligible institution shall receive an allocation under this subsection of at least the amount received by such other eligible institution under this subsection for the covered fiscal year.

“(ii) SHORTFALL OF SPECIAL AMOUNTS.—

“(I) APPLICABILITY.—This clause shall apply to any fiscal year following the covered fiscal year and for which the total amount appropriated under



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this section is insufficient to provide for the minimum additional funding amounts described in clause (i).

“(II) REDUCTIONS IN ALLOCATIONS.—In the case of a fiscal year to which this clause applies, reductions in allocations shall be made proportionally from the qualified eligible institution and from each other eligible institution based on the increased amounts (if any) that the qualified eligible institution and each other eligible institution were allocated for the covered fiscal year as compared to the fiscal year immediately preceding the covered fiscal year.

“(iii) EFFECT OF CENSUS.—Clauses (i) and (ii) shall not apply in any fiscal year for which a shortfall in the minimum additional funding amounts described in clause (i) is attributable to the incorporation of new census data into the calculation under paragraph (3), as determined by the Secretary.”.

(b) RESEARCH.—Section 1445(b) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222(b)) is amended—

(1) in paragraph (2)—

(A) by adding at the end the following:

“(D) SPECIAL AMOUNTS.—

“(i) DEFINITIONS.—In this subparagraph:

“(I) COVERED FISCAL YEAR.—The term ‘covered fiscal year’ means the fiscal year for which the qualified eligible institution first received an allocation of \$3,000,000 under clause (ii)(I).

“(II) OTHER ELIGIBLE INSTITUTION.—The term ‘other eligible institution’ means an eligible institution, other than the qualified eligible institution, receiving an allocation of funds under this section.

“(III) QUALIFIED ELIGIBLE INSTITUTION.—The term ‘qualified eligible institution’ means the eligible institution described in clause (ii)(I).

“(ii) FISCAL YEAR 2019, 2020, 2021, OR 2022.—

“(I) IN GENERAL.—Subject to subclause (II), for 1 of fiscal year 2019, 2020, 2021, or 2022, if the calculation under subparagraph (C) would result in a distribution for a fiscal year of less than \$3,000,000 to an eligible institution that first received funds under this section on a date occurring after the date of enactment of the Agricultural Act of 2014 (Public Law 113–79; 128 Stat. 649) and before September 30, 2018, that institution shall receive an allocation of \$3,000,000 for that fiscal year.

“(II) LIMITATION.—Subclause (I) shall apply only if amounts are appropriated under this section in an amount sufficient to provide that each other eligible institution receiving an allocation of funds under this section for fiscal year 2019, 2020, 2021, or 2022, as applicable, receives not less than the amount of funds received by that other eligible

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institution under this section for the preceding fiscal year.

“(iii) SUBSEQUENT FISCAL YEARS.—

“(I) MINIMUM ADDITIONAL FUNDING AMOUNTS.—Subject to subclauses (II) and (III), for each fiscal year following the covered fiscal year—

“(aa) the qualified eligible institution shall receive an allocation under this paragraph of at least \$3,000,000; and

“(bb) each other eligible institution shall receive an allocation under this paragraph of at least the amount received by such other eligible institution under this subsection for the covered fiscal year.

“(II) SHORTFALL OF SPECIAL AMOUNTS.—

“(aa) APPLICABILITY.—This subclause shall apply to any fiscal year following the covered fiscal year and for which the total amount appropriated under this subsection is insufficient to provide for the minimum additional funding amounts described in subclause (I).

“(bb) REDUCTIONS IN ALLOCATIONS.—In the case of a fiscal year to which this subclause applies, reductions in allocations shall be made proportionally from the qualified eligible institution and from each other eligible institution based on the increased amounts (if any) that the qualified eligible institution and each other eligible institution were allocated for the covered fiscal year as compared to the fiscal year immediately preceding the covered fiscal year.

“(III) EFFECT OF CENSUS.—Subclauses (I) and (II) shall not apply in any fiscal year for which a shortfall in the minimum additional funding amounts described in subclause (I) is attributable to the incorporation of new census data into the calculation under paragraph (3)(C), as determined by the Secretary.”;

(B) in subparagraph (B), by striking “(B) Of funds” and inserting the following:

“(C) ADDITIONAL AMOUNT.—Except as provided in subparagraph (D), of funds”;

(C) in subparagraph (A)—

(i) by striking “are allocated” and inserting “were allocated”;

(ii) by inserting “, as so designated as of that date” before the period at the end; and

(iii) by striking “(A) Funds” and inserting the following:

“(B) BASE AMOUNT.—Funds”; and

(D) in the matter preceding subparagraph (B) (as so designated), by striking “(2) The” and all that follows through “follows:” and inserting the following:

“(3) DISTRIBUTIONS.—

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“(A) IN GENERAL.—After allocating amounts under paragraph (2), the remainder shall be allotted among the eligible institutions in accordance with this paragraph.”; (2) in paragraph (1), by striking “(1) Three per centum” and inserting the following:

“(2) ADMINISTRATION.—3 percent”; and

(3) in the matter preceding paragraph (2) (as so designated), by striking “(b) Beginning” and all that follows through “follows:” and inserting the following:

“(b) DISTRIBUTION OF FUNDS.—

“(1) IN GENERAL.—Funds made available under this section shall be distributed among eligible institutions in accordance with this subsection.”.

**SEC. 7116. REPORTS ON DISBURSEMENT OF FUNDS FOR AGRICULTURAL RESEARCH AND EXTENSION AT 1862 AND 1890 LAND-GRANT COLLEGES, INCLUDING TUSKEGEE UNIVERSITY.**

7 USC 2207d.

Not later than September 30, 2019, and each year thereafter, the Secretary shall annually submit to Congress a report describing the allocations made to, and matching funds received by, 1890 Institutions and 1862 Institutions (as those terms are defined in section 2 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7601) for each of the agricultural research, extension, education, and related programs established under—

(1) section 1444 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3221);

(2) section 1445 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222);

(3) subsections (b) and (c) of section 3 of the Smith-Lever Act (7 U.S.C. 343); and

(4) the Hatch Act of 1887 (7 U.S.C. 361a et seq.).

**SEC. 7117. SCHOLARSHIPS FOR STUDENTS AT 1890 INSTITUTIONS.**

Subtitle G of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 is amended by inserting after section 1445 (7 U.S.C. 3222) the following new section:

**“SEC. 1446. SCHOLARSHIPS FOR STUDENTS AT 1890 INSTITUTIONS.**

7 USC 3222a.

“(a) IN GENERAL.—

“(1) SCHOLARSHIP GRANT PROGRAM ESTABLISHED.—The Secretary shall make grants to each college or university eligible to receive funds under the Act of August 30, 1890 (commonly known as the Second Morrill Act; 7 U.S.C. 322 et seq.), including Tuskegee University, for purposes of awarding scholarships to individuals who—

“(A) have been accepted for admission at such college or university;

“(B) will be enrolled at such college or university not later than one year after the date of such acceptance; and

“(C) intend to pursue a career in the food and agricultural sciences, including a career in—

“(i) agribusiness;

“(ii) energy and renewable fuels; or

“(iii) financial management.

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“(2) **CONDITION.**—The Secretary may only award a grant under this subsection to a college or university described in paragraph (1) if the Secretary determines that such college or university has established a competitive scholarship awards process for the award of scholarships to individuals described in such paragraph.

“(3) **ANNUAL LIMITATION.**—Of the funds made available under subsection (b)(1), the Secretary may use not more than \$10,000,000 to award grants under this subsection for the academic year beginning on July 1, 2020, and each of the three succeeding academic years.

“(4) **AMOUNT OF GRANT.**—Each grant made under this section shall be in an amount of not less than \$500,000.

“(b) **FUNDING.**—

“(1) **MANDATORY FUNDING.**—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section \$40,000,000 not later than October 1, 2019, to remain available until expended.

“(2) **DISCRETIONARY FUNDING.**—In addition to amounts made available under paragraph (1), there is authorized to be appropriated to carry out this section \$10,000,000 for each of fiscal years 2020 through 2023.

“(3) **ADMINISTRATIVE EXPENSES.**—Of the funds made available under paragraphs (1) and (2) to carry out this section for a fiscal year, not more than 4 percent may be used for expenses related to administering the program under this section.

“(c) **REPORT.**—Beginning on the date that is two years after the date on which the first grant is awarded under subsection (a), and every two years thereafter, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report detailing—

“(1) the amount of funds provided to each eligible college or university under this section;

“(2) the number of scholarships awarded under each grant each fiscal year; and

“(3) the amount of each such scholarship.”

**SEC. 7118. GRANTS TO UPGRADE AGRICULTURAL AND FOOD SCIENCES FACILITIES AT 1890 LAND-GRANT COLLEGES, INCLUDING TUSKEGEE UNIVERSITY.**

Section 1447(b) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222b(b)) is amended by striking “2018” and inserting “2023”.

**SEC. 7119. GRANTS TO UPGRADE AGRICULTURE AND FOOD SCIENCES FACILITIES AND EQUIPMENT AT INSULAR AREA LAND-GRANT INSTITUTIONS.**

Section 1447B(d) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222b–2(d)) is amended by striking “2018” and inserting “2023”.

**SEC. 7120. NEW BEGINNING FOR TRIBAL STUDENTS.**

Subtitle G of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3221 et seq.) is amended by adding at the end the following:

**“SEC. 1450. NEW BEGINNING FOR TRIBAL STUDENTS.**

7 USC 3222e.

“(a) DEFINITIONS.—In this section:

“(1) INDIAN TRIBE.—The term ‘Indian tribe’ has the meaning given such term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304)).

“(2) LAND-GRANT COLLEGE OR UNIVERSITY.—The term ‘land-grant college or university’ includes a 1994 Institution (as defined in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (Public Law 103–382; 7 U.S.C. 301 note)).

“(3) TRIBAL STUDENT.—The term ‘Tribal student’ means a student at a land-grant college or university that is a member of an Indian tribe.

“(b) NEW BEGINNING INITIATIVE.—

“(1) AUTHORIZATION.—The Secretary may make competitive grants to land-grant colleges and universities to provide identifiable support specifically targeted for Tribal students.

“(2) APPLICATION.—A land-grant college or university that desires to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

“(3) USE OF FUNDS.—A land-grant college or university that receives a grant under this section shall use the grant funds to support Tribal students through—

“(A) recruiting;

“(B) tuition and related fees;

“(C) experiential learning; and

“(D) student services, including—

“(i) tutoring;

“(ii) counseling;

“(iii) academic advising; and

“(iv) other student services that would increase the retention and graduation rate of Tribal students enrolled at the land-grant college or university, as determined by the Secretary.

“(4) MATCHING FUNDS.—A land-grant college or university that receives a grant under this section shall provide matching funds toward the cost of carrying out the activities described in this section in an amount equal to not less than 100 percent of the grant award.

“(5) MAXIMUM AMOUNT PER STATE.—No State shall receive, through grants made under this section to land-grant colleges and universities located in the State, more than \$500,000 per year.

“(c) REPORT.—Not later than 3 years after the date of enactment of this section, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry and the Committee on Indian Affairs of the Senate a report that includes an itemized list of grant funds distributed under this section, including the specific form of assistance provided under subsection (b)(3), and the number of Tribal students assisted and the graduation rate of Tribal students at land-grant colleges and universities receiving grants under this section.

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“(d) AUTHORIZATION OF APPROPRIATION.—There is authorized to be appropriated to carry out this section \$5,000,000 for each of fiscal years 2019 through 2023.”.

**SEC. 7121. HISPANIC-SERVING INSTITUTIONS.**

Section 1455(c) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3241(c)) is amended by striking “2018” and inserting “2023”.

**SEC. 7122. BINATIONAL AGRICULTURAL RESEARCH AND DEVELOPMENT.**

Section 1458(e) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3291(e)) is amended—

(1) in the subsection heading, by striking “FULL PAYMENT OF FUNDS MADE AVAILABLE FOR CERTAIN” and inserting “CERTAIN”;

(2) by striking “Notwithstanding” and inserting the following:

“(1) FULL PAYMENT OF FUNDS.—Notwithstanding”;

(3) in paragraph (1) (as so designated)—

(A) by striking “Israel-United States” and inserting “United States-Israel”; and

(B) by inserting “(referred to in this subsection as the ‘BARD Fund’)” after “Development Fund”; and

(4) by adding at the end the following:

“(2) ACTIVITIES.—Activities under the BARD Fund to promote and support agricultural research and development that are of mutual benefit to the United States and Israel shall—

“(A) accelerate the demonstration, development, and application of agricultural solutions resulting from or relating to BARD Fund programs, including BARD Fund-sponsored research and innovations in drip irrigation, pesticides, aquaculture, livestock, poultry, disease control, and farm equipment; and

“(B) encourage research carried out by governmental, nongovernmental, and private entities, including through collaboration with colleges and universities, research institutions, and the private sector.”.

**SEC. 7123. PARTNERSHIPS TO BUILD CAPACITY IN INTERNATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING.**

The National Agricultural Research, Extension, and Teaching Policy Act of 1977 is amended by inserting after section 1458 (7 U.S.C. 3291) the following:

7 USC 3292.

**“SEC. 1458A. PARTNERSHIPS TO BUILD CAPACITY IN INTERNATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING.**

“(a) DEFINITIONS.—In this section:

“(1) 1862 INSTITUTION; 1890 INSTITUTION; 1994 INSTITUTION.—The terms ‘1862 Institution’, ‘1890 Institution’, and ‘1994 Institution’ have the meanings given the terms in section 2 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7601).

“(2) COVERED INSTITUTION.—The term ‘covered Institution’ means—

“(A) an 1862 Institution;



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- “(B) an 1890 Institution;
- “(C) a 1994 Institution;
- “(D) an NLGCA Institution;
- “(E) a Hispanic-serving agricultural college or university; and
- “(F) a cooperating forestry school.

“(3) DEVELOPING COUNTRY.—The term ‘developing country’ means a country, as determined by the Secretary using a gross national income per capita test selected by the Secretary.

“(4) INTERNATIONAL PARTNER INSTITUTION.—The term ‘international partner institution’ means an agricultural higher education institution in a developing country that is performing, or desiring to perform, activities similar to agricultural research, extension, and teaching activities carried out through covered Institutions in the United States.

“(b) AUTHORITY OF THE SECRETARY.—The Secretary may promote cooperation and coordination between covered Institutions and international partner institutions through—

“(1) improving extension by—

“(A) encouraging the exchange of research materials and results between covered Institutions and international partner institutions;

“(B) facilitating the broad dissemination of agricultural research through extension; and

“(C) assisting with efforts to plan and initiate extension services in developing countries;

“(2) improving agricultural research by—

“(A) in partnership with international partner institutions, encouraging research that addresses problems affecting food production and security, human nutrition, agriculture, forestry, livestock, and fisheries, including local challenges; and

“(B) supporting and strengthening national agricultural research systems in developing countries;

“(3) supporting the participation of covered Institutions in programs of international organizations, such as the United Nations, the World Bank, regional development banks, and international agricultural research centers;

“(4) improving agricultural teaching and education by—

“(A) in partnership with international partner institutions, supporting education and teaching relating to food and agricultural sciences, including technical assistance, degree training, research collaborations, classroom instruction, workforce training, and education programs; and

“(B) assisting with efforts to increase student capacity, including to encourage equitable access for women and other underserved populations, at international partner institutions by promoting partnerships with, and improving the capacity of, covered Institutions;

“(5) assisting covered Institutions in strengthening their capacity for food, agricultural, and related research, extension, and teaching programs relevant to agricultural development activities in developing countries to promote the application of new technology to improve education delivery;

“(6) providing support for the internationalization of resident instruction programs of covered Institutions;

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“(7) establishing a program, to be coordinated by the Director of the National Institute of Food and Agriculture and the Administrator of the Foreign Agricultural Service, to place interns from covered Institutions in, or in service to benefit, developing countries; and

“(8) establishing a program to provide fellowships to students at covered Institutions to study at foreign agricultural colleges and universities.

“(c) ENHANCING LINKAGES.—The Secretary shall enhance the linkages among covered Institutions, the Federal Government, international research centers, counterpart research, extension, and teaching agencies and institutions in developed countries and developing countries—

“(1) to carry out the activities described in subsection (b); and

“(2) to make a substantial contribution to the cause of improved food and agricultural progress throughout the world.

“(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$10,000,000 for each of fiscal years 2019 through 2023.”.

**SEC. 7124. COMPETITIVE GRANTS FOR INTERNATIONAL AGRICULTURAL SCIENCE AND EDUCATION PROGRAMS.**

Section 1459A(c)(2) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3292b(c)(2)) is amended by striking “2018” and inserting “2023”.

**SEC. 7125. LIMITATION ON INDIRECT COSTS FOR AGRICULTURAL RESEARCH, EDUCATION, AND EXTENSION PROGRAMS.**

Section 1462 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3310) is amended—

(1) in subsection (a), by striking “22 percent” and inserting “30 percent”;

(2) in subsection (b), by striking “Subsection (a)” and inserting “Subsections (a) and (c)”; and

(3) by adding at the end the following:

“(c) TREATMENT OF SUBGRANTS.—In the case of a grant described in subsection (a), the limitation on indirect costs specified in such subsection shall be applied to both the initial grant award and any subgrant of the Federal funds provided under the initial grant award so that the total of all indirect costs charged against the total of the Federal funds provided under the initial grant award does not exceed such limitation.”.

**SEC. 7126. RESEARCH EQUIPMENT GRANTS.**

The National Agricultural Research, Extension, and Teaching Policy Act of 1977 is amended by inserting after section 1462 (7 U.S.C. 3310) the following new section:

7 USC 3310a.

**“SEC. 1462A. RESEARCH EQUIPMENT GRANTS.**

“(a) IN GENERAL.—The Secretary may make competitive grants for the acquisition of special purpose scientific research equipment for use in the food and agricultural sciences programs of eligible institutions.

“(b) MAXIMUM AMOUNT.—The amount of a grant made to an eligible institution under this section may not exceed \$500,000.

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“(c) PROHIBITION ON CHARGE OR EQUIPMENT AS INDIRECT COSTS.—The cost of acquisition or depreciation of equipment purchased with a grant under this section shall not be—

“(1) charged as an indirect cost against another Federal grant; or

“(2) included as part of the indirect cost pool for purposes of calculating the indirect cost rate of an eligible institution.

“(d) ELIGIBLE INSTITUTIONS DEFINED.—In this section, the term ‘eligible institution’ means—

“(1) a college or university; or

“(2) a State cooperative institution.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$5,000,000 for each of fiscal years 2019 through 2023.”.

**SEC. 7127. UNIVERSITY RESEARCH.**

Section 1463 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3311) is amended by striking “2018” each place it appears in subsections (a) and (b) and inserting “2023”.

**SEC. 7128. EXTENSION SERVICE.**

Section 1464 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3312) is amended by striking “2018” and inserting “2023”.

**SEC. 7129. SUPPLEMENTAL AND ALTERNATIVE CROPS; HEMP.**

Section 1473D of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319d) is amended—

(1) in subsection (a)—

(A) by striking “2018” and inserting “2023”; and

(B) by striking “crops,” and inserting “crops (including canola),”;

(2) in subsection (b)—

(A) by inserting “for agronomic rotational purposes and as a habitat for honey bees and other pollinators” after “alternative crops”; and

(B) by striking “commodities whose” and all that follows through the period at the end and inserting “commodities.”;

(3) in subsection (c)(3)(E), by inserting “(including hemp (as defined in section 297A of the Agricultural Marketing Act of 1946))” after “material”; and

(4) in subsection (e)—

(A) in paragraph (1), by striking “and” at the end;

(B) in paragraph (2), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following new paragraph: “(3) \$2,000,000 for each of fiscal years 2019 through 2023.”.

**SEC. 7130. NEW ERA RURAL TECHNOLOGY PROGRAM.**

Section 1473E of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319e) is amended—

(1) in subsection (b)(1)(B)—

(A) in clause (ii), by striking “and” at the end;

(B) in clause (iii), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

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“(iv) precision agriculture.”; and  
 (2) in subsection (d), by striking “2008 through 2012” and inserting “2019 through 2023”.

**SEC. 7131. CAPACITY BUILDING GRANTS FOR NLGCA INSTITUTIONS.**

Section 1473F(b) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319i(b)) is amended by striking “2018” and inserting “2023”.

**SEC. 7132. AGRICULTURE ADVANCED RESEARCH AND DEVELOPMENT AUTHORITY PILOT.**

Subtitle K of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3310 et seq.) is amended by adding at the end the following:

7 USC 3319k.

**“SEC. 1473H. AGRICULTURE ADVANCED RESEARCH AND DEVELOPMENT AUTHORITY PILOT.**

“(a) DEFINITIONS.—In this section:

“(1) ADVANCED RESEARCH AND DEVELOPMENT.—The term ‘advanced research and development’ means research and development activities used to address research challenges in agriculture and food through—

“(A) targeted acceleration of novel, early stage innovative agricultural research with promising technology applications and products; or

“(B) development of qualified products and projects, agricultural technologies, or innovative research tools, which may include—

“(i) prototype testing, preclinical development, or field experimental use;

“(ii) assessing and assisting with product approval, clearance, or need for a license under an applicable law, as determined by the Director; or

“(iii) manufacturing and commercialization of a product.

“(2) AGRICULTURAL TECHNOLOGY.—The term ‘agricultural technology’ means machinery and other equipment engineered for an applicable and novel use in agriculture, natural resources, and food relating to the research and development of qualified products and projects.

“(3) DIRECTOR.—The term ‘Director’ means the Director of the Agriculture Advanced Research and Development Authority established under subsection (b)(1).

“(4) OTHER TRANSACTION.—The term ‘other transaction’ means a transaction other than a procurement contract, grant, or cooperative agreement, including a transaction described in subsection (b)(6)(A).

“(5) PERSON.—The term ‘person’ means—

“(A) an individual;

“(B) a partnership;

“(C) a corporation;

“(D) an association;

“(E) an entity;

“(F) a public or private corporation;

“(G) a Federal, State, or local government agency or department; and

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“(H) an institution of higher education, including a land-grant college or university and a non-land-grant college of agriculture.

“(6) QUALIFIED PRODUCT OR PROJECT.—The term ‘qualified product or project’ means—

“(A) engineering, mechanization, or technology improvements that will address challenges relating to growing, harvesting, handling, processing, storing, packing, and distribution of agricultural products;

“(B) plant disease or plant pest recovery countermeasures to intentional or unintentional biological threats (including naturally occurring threats), including—

“(i) replacement or resistant plant cultivars or varieties;

“(ii) other enhanced management strategies, including novel chemical, biological, or cultural approaches; or

“(iii) diagnostic or surveillance technology; and

“(C) veterinary countermeasures to intentional or unintentional biological threats (including naturally occurring threats), including—

“(i) animal vaccine or therapeutic products (including anti-infective products); or

“(ii) diagnostic or surveillance technology.

“(7) RESEARCH TOOL.—The term ‘research tool’ means a device, technology, procedure, biological material, reagent, computer system, computer software, or analytical technique that is developed to assist in the discovery, development, or manufacture of a qualified product or project.

“(b) AGRICULTURE ADVANCED RESEARCH AND DEVELOPMENT AUTHORITY.—

“(1) ESTABLISHMENT.—There is established within the Department of Agriculture a pilot program that shall be known as the Agriculture Advanced Research and Development Authority (referred to in this section as the ‘AGARDA’) to carry out advanced research and development.

“(2) GOALS.—The goals of the AGARDA are—

“(A) to develop and deploy advanced solutions to prevent, prepare, and protect against unintentional and intentional threats to agriculture and food in the United States;

“(B) to overcome barriers in the development of agricultural technologies, research tools, and qualified products and projects that enhance export competitiveness, environmental sustainability, and resilience to extreme weather;

“(C) to ensure that the United States maintains and enhances its position as a leader in developing and deploying agricultural technologies, research tools, and qualified projects and products that increase economic opportunities and security for farmers, ranchers, and rural communities; and

“(D) to undertake advanced research and development in areas in which industry by itself is not likely to do so because of the technological or financial uncertainty.

“(3) LEADERSHIP.—

“(A) IN GENERAL.—The AGARDA shall be a component of the Office of the Chief Scientist.

“(B) DIRECTOR.—

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“(i) IN GENERAL.—The AGARDA shall be headed by a Director, who shall be appointed by the Chief Scientist.

“(ii) QUALIFICATIONS.—The Director shall be an individual who, by reason of professional background and experience, is exceptionally qualified to advise the Chief Scientist on, and manage advanced research and development programs and other matters pertaining to—

“(I) qualified products and projects;

“(II) agricultural technologies;

“(III) research tools; and

“(IV) challenges relating to the matters described in subclauses (I) through (III).

“(iii) RELATIONSHIP WITHIN THE DEPARTMENT OF AGRICULTURE.—The Director shall report to the Chief Scientist.

“(4) DUTIES.—To achieve the goals described in paragraph (2), the Secretary, acting through the Director, shall accelerate advanced research and development by—

“(A) identifying and promoting advances in basic sciences;

“(B) translating scientific discoveries and inventions into technological innovations;

“(C) collaborating with other agencies, relevant industries, academia, international agencies, the Foundation for Food and Agriculture Research, and other relevant persons to carry out the goals described in paragraph (2), including convening, at a minimum, annual meetings or working groups to demonstrate the operation and effectiveness of advanced research and development of qualified products and projects, agricultural technologies, and research tools;

“(D) conducting ongoing searches for, and support calls for, potential advanced research and development of agricultural technologies, qualified products and projects, and research tools;

“(E) awarding grants and entering into contracts, cooperative agreements, or other transactions under paragraph (6) for advanced research and development of agricultural technology, qualified products and projects, and research tools;

“(F) establishing issue-based multidisciplinary teams to reduce the time and cost of solving specific problems that—

“(i) are composed of representatives from Federal and State agencies, professional groups, academia, and industry;

“(ii) seek novel and effective solutions; and

“(iii) encourage data sharing and translation of research to field use; and

“(G) serving as a resource for interested persons regarding requirements under relevant laws that impact the development, commercialization, and technology transfer of qualified products and projects, agricultural technologies, and research tools.

“(5) PRIORITY.—In awarding grants and entering into contracts, cooperative agreements, or other transactions under



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paragraph (4)(E), the Secretary shall give priority to projects that accelerate the advanced research and development of qualified products and projects that—

“(A) address critical research and development needs for technology for specialty crops; or

“(B) prevent, protect, and prepare against intentional and unintentional threats to agriculture and food.

“(6) OTHER TRANSACTION AUTHORITIES.—

“(A) IN GENERAL.—In carrying out the pilot program under this section, the Secretary shall have the authority to enter into other transactions in the same manner and subject to the same terms and conditions as transactions that the Secretary of Defense may enter into under section 2371 of title 10, United States Code.

“(B) SCOPE.—The authority of the Secretary to enter into contracts, cooperative agreements, and other transactions under this subsection shall be in addition to the authorities under this Act and title I of the Department of Agriculture and Related Agencies Appropriation Act, 1964 (7 U.S.C. 3318a), to use contracts, cooperative agreements, and grants in carrying out the pilot program under this section.

“(C) GUIDELINES.—The Secretary shall establish guidelines regarding the use of the authority under subparagraph (A).

“(D) TECHNOLOGY TRANSFER.—In entering into other transactions, the Secretary may negotiate terms for technology transfer in the same manner as a Federal laboratory under paragraphs (1) through (4) of section 12(b) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(b)).

“(7) AVAILABILITY OF DATA.—

“(A) IN GENERAL.—The Secretary shall require that, as a condition of being awarded a contract or grant or entering into a cooperative agreement or other transaction under paragraph (4)(E), a person shall make available to the Secretary on an ongoing basis, and submit to the Secretary on request of the Secretary, all data relating to or resulting from the activities carried out by the person pursuant to this section.

“(B) EXEMPTION FROM DISCLOSURE.—

“(i) IN GENERAL.—This subparagraph shall be considered a statute described in section 552(b)(3)(B) of title 5, United States Code.

“(ii) EXEMPTION.—The following information shall be exempt from disclosure under section 552 of title 5, United States Code, and withheld from the public:

“(I) Specific technical data or scientific information that is created or obtained under this section that reveals significant and not otherwise publicly known vulnerabilities of existing agriculture and food defenses against biological, chemical, nuclear, or radiological threats.

“(II) Trade secrets or commercial or financial information that is privileged or confidential (within the meaning of section 552(b)(4) of title 5, United States Code) and obtained in the conduct

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of research or as a result of activities under this section from a non-Federal party participating in a contract, grant, cooperative agreement, or other transaction under this section.

“(iii) LIMITATION.—Information that results from research and development activities conducted under this section and that would be a trade secret or commercial or financial information that is privileged or confidential if the information had been obtained from a non-Federal party participating in a cooperative agreement or other transaction shall be withheld from disclosure under subchapter II of chapter 5 of title 5, United States Code, for 5 years.

“(8) MILESTONE-BASED PAYMENTS ALLOWED.—In awarding contracts and grants and entering into cooperative agreements or other transactions under paragraph (4)(E), the Secretary may—

“(A) use milestone-based awards and payments; and

“(B) terminate a project for not meeting technical milestones.

“(9) USE OF EXISTING PERSONNEL AUTHORITIES.—In carrying out this subsection, the Secretary may appoint highly qualified individuals to scientific or professional positions on the same terms and conditions as provided in subsections (b)(3), (b)(4), (c), (d), (e), and (f) of section 620 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7657).

“(10) REPORT AND EVALUATION.—

“(A) REPORT.—The Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report examining the actions undertaken and results generated by the AGARDA.

“(B) EVALUATION.—After the date on which the AGARDA has been in operation for 3 years, the Comptroller General of the United States shall conduct an evaluation—

“(i) to be completed and submitted to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate not later than 1 year after the date on which the Comptroller General began conducting the evaluation;

“(ii) describing the extent to which the AGARDA is achieving the goals described in paragraph (2); and

“(iii) including a recommendation on whether the AGARDA should be continued, terminated, or expanded.

“(c) STRATEGIC PLAN.—

“(1) IN GENERAL.—Not later than 360 days after the date of enactment of this section, the Secretary shall develop and make publicly available a strategic plan describing the strategic vision that the AGARDA shall use—

“(A) to make determinations for future investments during the period of effectiveness of this section; and

“(B) to achieve the goals described in subsection (b)(2).

“(2) DISSEMINATION.—The Secretary shall disseminate the information contained in the strategic plan under paragraph

(1) to persons who may have the capacity to substantially contribute to the activities described in that strategic plan.

“(3) COORDINATION; CONSULTATION.—The Secretary shall—

“(A) update and coordinate the strategic coordination plan under section 221(d)(7) of the Department of Agriculture Reorganization Act of 1994 with the strategic plan developed under paragraph (1) for activities relating to agriculture and food defense countermeasure development and procurement; and

“(B) in developing the strategic plan under paragraph (1), consult with—

“(i) the National Agricultural Research, Extension, Education, and Economics Advisory Board established under section 1408(a);

“(ii) the specialty crops committee established under section 1408A(a)(1);

“(iii) relevant agriculture research agencies of the Federal Government;

“(iv) the National Academies of Sciences, Engineering, and Medicine;

“(v) the National Veterinary Stockpile Intra-Government Advisory Committee for Strategic Steering; and

“(vi) other appropriate parties, as determined by the Secretary.

“(d) FUNDS.—

“(1) ESTABLISHMENT.—There is established in the Treasury the Agriculture Advanced Research and Development Fund, which shall be administered by the Secretary, acting through the Director—

“(A) for the purpose of carrying out this section; and

“(B) in the same manner and subject to the same terms and conditions as are applicable to the Secretary of Defense under section 2371 of title 10, United States Code.

“(2) DEPOSITS INTO FUND.—

“(A) IN GENERAL.—The Secretary, acting through the Director, may accept and deposit into the Fund monies received pursuant to cost recovery, contribution, or royalty payments under a contract, grant, cooperative agreement, or other transaction under this section.

“(B) AVAILABILITY OF AMOUNTS IN FUND.—Amounts deposited into the fund shall remain available until expended, without further appropriation, and may be used to carry out the purposes of this section.

“(C) CLARIFICATION.—Nothing in this paragraph authorizes the use of the funds of the Commodity Credit Corporation to carry out this section.

“(3) FUNDING.—In addition to funds otherwise deposited in the Fund under paragraph (1) or (2), there is authorized to be appropriated to the Fund \$50,000,000 for each of fiscal years 2019 through 2023, to remain available until expended.

“(e) TERMINATION OF EFFECTIVENESS.—

“(1) IN GENERAL.—Except as provided under paragraph (2), the authority provided by this section terminates on the date that is 5 years after the date of the enactment of the Agriculture Improvement Act of 2018.

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“(2) EXCEPTIONS.—Paragraph (1) shall not apply with respect to—

“(A) subsection (b)(7)(B); and

“(B) grants awarded or contracts, cooperative agreements, or other transactions entered into before the end of the 5-year period referred to in such clause.”.

**SEC. 7133. AQUACULTURE ASSISTANCE PROGRAMS.**

Section 1477(a)(2) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3324(a)(2)) is amended by striking “2018” and inserting “2023”.

**SEC. 7134. RANGELAND RESEARCH PROGRAMS.**

Section 1483(a)(2) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3336(a)(2)) is amended by striking “2018” and inserting “2023”.

**SEC. 7135. SPECIAL AUTHORIZATION FOR BIOSECURITY PLANNING AND RESPONSE.**

Section 1484 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3351) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking “and” at the end;

(B) in paragraph (2), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following new paragraph: “(3) \$30,000,000 for each of fiscal years 2019 through 2023.”; and

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by inserting “and cooperative agreements” after “competitive grants”;

(B) in paragraph (3), by striking “make competitive grants” and inserting “award competitive grants and cooperative agreements”; and

(C) by adding at the end the following new paragraph: “(5) To coordinate the tactical science activities of the Research, Education, and Economics mission area of the Department that protect the integrity, reliability, sustainability, and profitability of the food and agricultural system of the United States against biosecurity threats from pests, diseases, contaminants, and disasters.”.

**SEC. 7136. DISTANCE EDUCATION AND RESIDENT INSTRUCTION GRANTS PROGRAM FOR INSULAR AREA INSTITUTIONS OF HIGHER EDUCATION.**

(a) DISTANCE EDUCATION GRANTS FOR INSULAR AREAS.—Section 1490(f)(2) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3362(f)(2)) is amended by striking “2018” and inserting “2023”.

(b) RESIDENT INSTRUCTION GRANTS FOR INSULAR AREAS.—Section 1491(c)(2) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3363(c)(2)) is amended by striking “2018” and inserting “2023”.

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## **Subtitle B—Food, Agriculture, Conservation, and Trade Act of 1990**

### **SEC. 7201. BEST UTILIZATION OF BIOLOGICAL APPLICATIONS.**

Section 1624 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5814) is amended in the first sentence by striking “2018” and inserting “2023”.

### **SEC. 7202. INTEGRATED MANAGEMENT SYSTEMS.**

Section 1627(d) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5821(d)) is amended by striking “2018” and inserting “2023”.

### **SEC. 7203. SUSTAINABLE AGRICULTURE TECHNOLOGY DEVELOPMENT AND TRANSFER PROGRAM.**

Section 1628(f)(2) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5831(f)(2)) is amended by striking “2018” and inserting “2023”.

### **SEC. 7204. NATIONAL TRAINING PROGRAM.**

Section 1629(i) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5832(i)) is amended by striking “2018” and inserting “2023”.

### **SEC. 7205. NATIONAL STRATEGIC GERMPLASM AND CULTIVAR COLLECTION ASSESSMENT AND UTILIZATION PLAN.**

(a) **IN GENERAL.**—Section 1632(d) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5841(d)) is amended—

- (1) in paragraph (5), by striking “and” at the end;
- (2) by redesignating paragraph (6) as paragraph (7); and
- (3) by inserting after paragraph (5) the following:

“(6) develop and implement a national strategic germplasm and cultivar collection assessment and utilization plan that takes into consideration the resources and research necessary to address the significant backlog of characterization and maintenance of existing accessions considered to be critical to preserve the viability of, and public access to, germplasm and cultivars; and”.

(b) **PLAN PUBLICATION.**—Section 1633 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5842) is amended by adding at the end the following:

“(f) **PLAN PUBLICATION.**—On completion of the development of the plan described in section 1632(d)(6), the Secretary shall make the plan available to the public.”.

### **SEC. 7206. NATIONAL GENETICS RESOURCES PROGRAM.**

(a) **ADVISORY COUNCIL.**—Section 1634 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5843) is amended—

- (1) in subsection (a)—
  - (A) in the first sentence, by striking “The Secretary” and inserting the following:

“(1) **IN GENERAL.**—The Secretary”;

- (B) in the second sentence of paragraph (1) (as so designated), by striking “The advisory” and inserting the following:

“(2) **MEMBERSHIP.**—The advisory”;

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(C) in paragraph (2) (as so designated), by striking “nine” and inserting “13”; and

(D) by adding at the end the following:

“(3) RECOMMENDATIONS.—

“(A) IN GENERAL.—In making recommendations under paragraph (1), the advisory council shall include recommendations on—

“(i) the state of public cultivar development, including—

“(I) an analysis of existing cultivar research investments;

“(II) the research gaps relating to the development of cultivars across a diverse range of crops; and

“(III) an assessment of the state of commercialization of federally funded cultivars;

“(ii) the training and resources needed to meet future breeding challenges;

“(iii) the appropriate levels of Federal funding for cultivar development for underserved crops and geographic areas; and

“(iv) the development of the plan described in section 1632(d)(6).”; and

(2) in subsection (c)—

(A) in paragraph (1)—

(i) by striking “Two-thirds” and inserting “6”; and

(ii) by inserting “economics and policy,” after “agricultural sciences,”;

(B) in paragraph (2)—

(i) by striking “One-third” and inserting “3”; and

(ii) by inserting “community development,” after “public policy,”; and

(C) by adding at the end the following:

“(3) 4 of the members shall be appointed from among individuals with expertise in public cultivar and animal breed development.

“(4) 4 of the members shall be appointed from among individuals representing—

“(A) 1862 Institutions (as defined in section 2 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7601));

“(B) 1890 Institutions (as defined in section 2 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7601));

“(C) Hispanic-serving institutions (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)); or

“(D) 1994 Institutions (as defined in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382)).”.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 1635(b)(2) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5844(b)(2)) is amended by striking “2018” and inserting “2023”.



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**SEC. 7207. NATIONAL AGRICULTURAL WEATHER INFORMATION SYSTEM.**

Section 1641(c) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5855(c)) is amended by striking “2018” and inserting “2023”.

**SEC. 7208. AGRICULTURAL GENOME TO PHENOME INITIATIVE.**

Section 1671 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5924) is amended—

(1) in the section heading, by inserting “**TO PHENOME**” after “**GENOME**”;

(2) by striking subsection (a) and inserting the following: “(a) GOALS.—The goals of this section are—

“(1) to expand knowledge concerning genomes and phenomes of crops and animals of importance to the agriculture sector of the United States;

“(2) to understand how variable weather, environments, and production systems impact the growth and productivity of specific varieties of crops and species of animals in order to provide greater accuracy in predicting crop and animal performance under variable conditions;

“(3) to support research that leverages plant and animal genomic information with phenotypic and environmental data through an interdisciplinary framework, leading to a novel understanding of plant and animal processes that affect growth, productivity, and the ability to predict performance, which will result in the deployment of superior varieties and species to producers and improved crop and animal management recommendations for farmers and ranchers;

“(4) to catalyze and coordinate research that links genomics and predictive phenomics at different sites across the United States to achieve advances in crops and animals that generate societal benefits;

“(5) to combine fields such as genetics, genomics, plant physiology, agronomy, climatology, and crop modeling with computation and informatics, statistics, and engineering;

“(6) to combine fields such as genetics, genomics, animal physiology, meat science, animal nutrition, and veterinary science with computation and informatics, statistics, and engineering;

“(7) to focus on crops and animals that will yield scientifically important results that will enhance the usefulness of many other crops and animals;

“(8) to build on genomic research, such as the Plant Genome Research Project and the National Animal Genome Research Program, to understand gene function in production environments that is expected to have considerable returns for crops and animals of importance to the agriculture of the United States;

“(9) to develop improved data analytics to enhance understanding of the biological function of genes;

“(10) to allow resources developed under this section, including data, software, germplasm, and other biological materials, to be openly accessible to all persons, subject to any confidentiality requirements imposed by law; and

“(11) to encourage international partnerships with each partner country responsible for financing its own research.”;

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(3) by striking subsection (b) and inserting the following:  
“(b) DUTIES OF SECRETARY.—The Secretary of Agriculture (referred to in this section as the ‘Secretary’) shall conduct a research initiative, to be known as the ‘Agricultural Genome to Phenome Initiative’, for the purpose of—

“(1) studying agriculturally significant crops and animals in production environments to achieve sustainable and secure agricultural production;

“(2) ensuring that current gaps in existing knowledge of agricultural crop and animal genetics and phenomics are filled;

“(3) identifying and developing a functional understanding of relevant genes from animals and agronomically relevant genes from crops that are of importance to the agriculture sector of the United States;

“(4) ensuring future genetic improvement of crops and animals of importance to the agriculture sector of the United States;

“(5) studying the relevance of diverse germplasm as a source of unique genes that may be of importance in the future;

“(6) enhancing genetics to reduce the economic impact of pathogens on crops and animals of importance to the agriculture sector of the United States;

“(7) disseminating findings to relevant audiences; and

“(8) otherwise carrying out this section.”;

(4) in subsection (c)(1), by inserting “, acting through the National Institute of Food and Agriculture,” after “The Secretary”;

(5) in subsection (e), by inserting “to Phenome” after “Genome”; and

(6) by adding at the end the following:

“(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$40,000,000 for each of fiscal years 2019 through 2023.”.

**SEC. 7209. HIGH-PRIORITY RESEARCH AND EXTENSION INITIATIVES.**

Section 1672 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925) is amended—

(1) in subsection (d)—

(A) in paragraph (8)—

(i) in the heading, by striking “ALFALFA AND FORAGE” and inserting “ALFALFA SEED AND ALFALFA FORAGE SYSTEMS”;

(ii) by striking “alfalfa and forage” and inserting “alfalfa seed and alfalfa forage systems”; and

(iii) by striking “alfalfa and other forages, and” and inserting “alfalfa seed and other alfalfa forage”; and

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

“(11) MACADAMIA TREE HEALTH INITIATIVE.—Research and extension grants may be made under this section for the purposes of—

“(A) developing and disseminating science-based tools and treatments to combat the macadamia felted coccid (*Eriococcus ironsidei*); and

“(B) establishing an areawide integrated pest management program in areas affected by, or areas at risk of being affected by, the macadamia felted coccid.

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“(12) NATIONAL TURFGRASS RESEARCH INITIATIVE.—Research and extension grants may be made under this section for the purposes of—

“(A) carrying out or enhancing research related to turfgrass and sod issues;

“(B) enhancing production and uses of turfgrass for the general public;

“(C) identifying new turfgrass varieties with superior drought, heat, cold, and pest tolerance to reduce water, fertilizer, and pesticide use;

“(D) selecting genetically superior turfgrasses and developing improved technologies for managing commercial, residential, and recreational turfgrass areas;

“(E) producing turfgrasses that—

“(i) aid in mitigating soil erosion;

“(ii) protect against pollutant runoff into waterways; or

“(iii) provide other environmental benefits;

“(F) investigating, preserving, and protecting native plant species, including grasses not currently utilized in turfgrass systems;

“(G) creating systems for more economical and viable turfgrass seed and sod production throughout the United States; and

“(H) investigating the turfgrass phytobiome and developing biologic products to enhance soil, enrich plants, and mitigate pests.

“(13) FERTILIZER MANAGEMENT INITIATIVE.—

“(A) IN GENERAL.—Research and extension grants may be made under this section for the purpose of carrying out research to improve fertilizer use efficiency in crops—

“(i) to maximize crop yield; and

“(ii) to minimize nutrient losses to surface and groundwater and the atmosphere.

“(B) PRIORITY.—In awarding grants under subparagraph (A), the Secretary shall give priority to research examining the impact of the source, rate, timing, and placement of plant nutrients.

“(14) CATTLE FEVER TICK PROGRAM.—Research and extension grants may be made under this section to study cattle fever ticks—

“(A) to facilitate the understanding of the role of wildlife in the persistence and spread of cattle fever ticks;

“(B) to develop advanced methods for eradication of cattle fever ticks, including—

“(i) alternative treatment methods for cattle and other susceptible species;

“(ii) field treatment for premises, including corral pens and pasture loafing areas;

“(iii) methods for treatment and control on infested wildlife;

“(iv) biological control agents; and

“(v) new and improved vaccines;

“(C) to evaluate rangeland vegetation that impacts the survival of cattle fever ticks;

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“(D) to improve management of diseases relating to cattle fever ticks that are associated with wildlife, livestock, and human health;

“(E) to improve diagnostic detection of tick-infested or infected animals and pastures; and

“(F) to conduct outreach to impacted ranchers, hunters, and landowners to integrate tactics and document sustainability of best practices.

“(15) LAYING HEN AND TURKEY RESEARCH PROGRAM.—Research grants may be made under this section for the purpose of improving the efficiency and sustainability of laying hen and turkey production through integrated, collaborative research and technology transfer. Emphasis may be placed on laying hen and turkey disease prevention, antimicrobial resistance, nutrition, gut health, and alternative housing systems under extreme seasonal weather conditions.

“(16) CHRONIC WASTING DISEASE.—Research and extension grants may be made under this section for the purposes of supporting research projects at land-grant colleges and universities (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)) with established deer research programs for the purposes of treating, mitigating, or eliminating chronic wasting disease.

“(17) ALGAE AGRICULTURE RESEARCH PROGRAM.—Research and extension grants may be made under this section for the development and testing of algae and algae systems (including micro- and macro-algae systems).

“(18) NUTRIENT MANAGEMENT.—Research and extension grants may be made under this section for the purposes of examining nutrient management based on the source, rate, timing, and placement of crop nutrients.

“(19) DRYLAND FARMING AGRICULTURAL SYSTEMS.—Research and extension grants may be made under this section for the purposes of carrying out or enhancing research on the utilization of big data for more precise management of dryland farming agricultural systems.

“(20) HOP PLANT HEALTH INITIATIVE.—Research and extension grants may be made under this section for the purposes of developing and disseminating science-based tools and treatments to combat diseases of hops caused by the plant pathogens *Podospaera macularis* and *Pseudoperonospora humuli*.”;

(2) in subsection (e)(5), by striking “2018” and inserting “2023”;

(3) in subsection (f)(5), by striking “2018” and inserting “2023”;

(4) in subsection (g)—

(A) in paragraphs (1)(B), (2)(B), and (3), by striking “2018” each place it appears and inserting “2023”;

(B) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively; and

(C) by inserting after paragraph (3) the following new paragraph:

“(4) ENHANCED COORDINATION OF HONEYBEE AND POLLINATOR RESEARCH.—

“(A) IN GENERAL.—The Chief Scientist of the Department of Agriculture shall coordinate research, extension, education, and economic activities in the Department of

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Agriculture relating to native and managed pollinator health and habitat.

“(B) DUTIES.—In carrying out subparagraph (A), the Chief Scientist shall—

“(i) assign an individual to serve in the Office of the Chief Scientist as a Honeybee and Pollinator Research Coordinator who shall be responsible for leading the efforts of the Chief Scientist in carrying out such subparagraph;

“(ii) implement and coordinate pollinator health research efforts of the Department, as recommended by the Pollinator Health Task Force;

“(iii) establish annual strategic priorities and goals for the Department for native and managed pollinator research;

“(iv) communicate such priorities and goals to each agency or office of the Department of Agriculture, the managed pollinator industry, and relevant grant recipients under programs administered by the Secretary; and

“(v) coordinate and identify all research on native and managed pollinator health needed and conducted by the Department of Agriculture and relevant grant recipients under programs administered by the Secretary to ensure consistency and reduce unintended duplication of effort.

“(C) RESEARCH.—In coordinating research activities under subparagraph (A), the Chief Scientist shall ensure that such research—

“(i) identifies and addresses the multiple stressors on pollinator health, including pests and pathogens, reduced habitat, lack of nutritional resources, and exposure to pesticides;

“(ii) evaluates stewardship and management practices of managed pollinators that would impact managed pollinator health;

“(iii) documents the prevalence of major pests, such as *varroa destructor* (commonly referred to as the varroa mite), and diseases that are transported between States through practices involving managed pollinators;

“(iv) evaluates the impact of overcrowding of colonies for pollination services and the impact of such overcrowding on pollinator health status and pollinator health recovery;

“(v) evaluates and reports on the health differences of managed pollinators in—

“(I) crops not requiring contract pollination;

“(II) crops requiring contract pollination; and

“(III) native habitat;

“(vi) evaluates the impact of horticultural and agricultural pest management practices on native and managed pollinator colonies in diverse agroecosystems;

“(vii) documents pesticide residues that are—

“(I) found in native and managed pollinator colonies; and

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“(II) associated with typical localized commercial crop pest management practices;

“(viii) with respect to native and managed pollinator colonies visiting crops for crop pollination or honey production purposes, documents—

“(I) the strength and health of such colonies;

“(II) the survival, growth, reproduction, and production of such colonies;

“(III) pests, pathogens, and viruses that affect such colonies;

“(IV) environmental conditions of such colonies;

“(V) beekeeper practices; and

“(VI) any other relevant information, as determined by the Chief Scientist;

“(ix) documents, with respect to healthy populations of managed pollinators, best management practices and other practices for managed pollinators and crop managers;

“(x) evaluates the effectiveness of—

“(I) conservation practices that target the specific needs of native and managed pollinator habitats;

“(II) incentives that allow for the expansion of native and managed pollinator forage acreage; and

“(III) managed pollinator breeding practices and efforts to, with respect to managed pollinators, avoid creating a genetic bottleneck and improve genetic diversity;

“(xi) in the case of commercially managed pollinator colonies, continues to gather data—

“(I) on an annual basis with respect to losses of such colonies, splits of such colonies, and the total number of pollinator colonies;

“(II) on rising input costs; and

“(III) overall economic value to the food economy; and

“(xii) addresses any other issue relating to native and managed pollinators, as determined by the Chief Scientist, in consultation with scientific experts.

“(D) PUBLICATION.—The Chief Scientist, to the maximum extent practicable, shall—

“(i) make publicly available the results of the research described in subparagraph (C); and

“(ii) in the case of the research described in subparagraph (C)(vi), publish any data or reports that were produced by the Department of Agriculture but not made publicly available during the period beginning on January 1, 2008, and ending on the date of the enactment of the Agriculture Improvement Act of 2018.”; and

(5) in subsection (h), by striking “2018” and inserting “2023”.



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**SEC. 7210. ORGANIC AGRICULTURE RESEARCH AND EXTENSION INITIATIVE.**

Section 1672B of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925b) is amended—

- (1) in subsection (a)—
  - (A) in the matter preceding paragraph (1)—
    - (i) by inserting “using funds made available under subsection (e),” after “Board,”; and
    - (ii) by inserting “in each of fiscal years 2019 through 2023” after “grants”; and
  - (B) in paragraph (7), by inserting “, soil health,” after “conservation”; and
- (2) in subsection (e)—
  - (A) in paragraph (1)—
    - (i) in subparagraph (B), by striking “and” at the end;
    - (ii) in subparagraph (C), by striking the period at the end and inserting “; and”; and
    - (iii) by adding at the end the following new subparagraphs:
      - “(D) \$20,000,000 for each of fiscal years 2019 through 2020;
      - “(E) \$25,000,000 for fiscal year 2021;
      - “(F) \$30,000,000 for fiscal year 2022; and
      - “(G) \$50,000,000 for fiscal year 2023 and each fiscal year thereafter.”; and
  - (B) in paragraph (2)—
    - (i) in the paragraph heading, by striking “FOR FISCAL YEARS 2014 THROUGH 2018”; and
    - (ii) by striking “2018” and inserting “2023”.

**SEC. 7211. FARM BUSINESS MANAGEMENT.**

Section 1672D of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925f) is amended—

- (1) by amending subsection (a) to read as follows:
  - “(a) IN GENERAL.—The Secretary may make competitive research and extension grants for the purpose of improving the farm management knowledge and skills of agricultural producers by maintaining and expanding a national, publicly available farm financial management database to support improved farm management.”;
- (2) in subsection (b)—
  - (A) in paragraph (2), by striking “and producer” and inserting “educational programs and”; and
  - (B) in paragraph (4), by striking “use and support” and inserting “contribute data to”; and
- (3) in subsection (d)(2), by striking “2018” and inserting “2023”.

**SEC. 7212. URBAN, INDOOR, AND OTHER EMERGING AGRICULTURAL PRODUCTION RESEARCH, EDUCATION, AND EXTENSION INITIATIVE.**

(a) IN GENERAL.—The Food, Agriculture, Conservation, and Trade Act of 1990 is amended by inserting after section 1672D (7 U.S.C. 5925f) the following:

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7 USC 5925g.

**“SEC. 1672E. URBAN, INDOOR, AND OTHER EMERGING AGRICULTURAL PRODUCTION RESEARCH, EDUCATION, AND EXTENSION INITIATIVE.**

**“(a) COMPETITIVE RESEARCH AND EXTENSION GRANTS AUTHORIZED.—**In consultation with the Urban Agriculture and Innovative Production Advisory Committee established under section 222(b) of the Department of Agriculture Reorganization Act of 1994, the Secretary may make competitive grants to support research, education, and extension activities for the purposes of facilitating the development of urban, indoor, and other emerging agricultural production, harvesting, transportation, aggregation, packaging, distribution, and markets, including by—

“(1) assessing and developing strategies to remediate contaminated sites;

“(2) determining and developing the best production management and integrated pest management practices;

“(3) identifying and promoting the horticultural, social, and economic factors that contribute to successful urban, indoor, and other emerging agricultural production;

“(4) analyzing the means by which new agricultural sites are determined, including an evaluation of soil quality, condition of a building, or local community needs;

“(5) exploring new technologies that minimize energy, lighting systems, water, and other inputs for increased food production;

“(6) examining building material efficiencies and structural upgrades for the purpose of optimizing growth of agricultural products;

“(7) developing new crop varieties and agricultural products to connect to new markets; or

“(8) examining the impacts of crop exposure to urban elements on environmental quality and food safety.

**“(b) GRANT TYPES AND PROCESS.—**Subparagraphs (A) through (E) of paragraph (4), paragraph (7), and paragraph (11)(B) of subsection (b) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 3157) shall apply with respect to the making of grants under this section.

**“(c) PRIORITY.—**The Secretary may give priority to grant proposals that involve—

“(1) the cooperation of multiple entities; or

“(2) States or regions with a high concentration of or significant interest in urban farms, rooftop farms, and indoor production facilities.

**“(d) FUNDING.—**

“(1) **MANDATORY FUNDING.—**Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section \$10,000,000 for fiscal year 2019, to remain available until expended.

“(2) **AUTHORIZATION OF APPROPRIATIONS.—**In addition to amounts made available under paragraph (1), there is authorized to be appropriated to carry out this section \$10,000,000 for each of fiscal years 2019 through 2023.”.

**(b) DATA COLLECTION ON URBAN, INDOOR, AND EMERGING AGRICULTURAL PRODUCTION.—**

**(1) IN GENERAL.—**Not later than one year after the date of enactment of this Act, the Secretary shall conduct as a follow-on study to the census of agriculture conducted in the

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calendar year 2017 under section 2 of the Census of Agriculture Act of 1997 (7 U.S.C. 2204g) a census of urban, indoor, and other emerging agricultural production, including information about—

(A) community gardens and farms located in urban areas, suburbs, and urban clusters;

(B) rooftop farms, outdoor vertical production, and green walls;

(C) indoor farms, greenhouses, and high-tech vertical technology farms;

(D) hydroponic, aeroponic, and aquaponic farm facilities; and

(E) other innovations in agricultural production, as determined by the Secretary.

(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection \$14,000,000 for the period of fiscal years 2019 through 2021.

**SEC. 7213. CENTERS OF EXCELLENCE AT 1890 INSTITUTIONS.**

Section 1673 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5926) is amended by adding at the end the following:

“(d) CENTERS OF EXCELLENCE AT 1890S INSTITUTIONS.—

“(1) RECOGNITION.—The Secretary shall recognize not less than 3 centers of excellence, each led by an 1890 Institution (as defined in section 2 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7601)), to focus on 1 or more of the areas described in paragraph (2).

“(2) AREAS OF FOCUS.—

“(A) STUDENT SUCCESS AND WORKFORCE DEVELOPMENT.—A center of excellence established under paragraph (1) may engage in activities to ensure that students have the skills and education needed to work in agriculture and food industries, agriculture science, technology, engineering, mathematics, and related fields of study.

“(B) NUTRITION, HEALTH, WELLNESS, AND QUALITY OF LIFE.—A center of excellence established under paragraph (1) may carry out research, education, and extension programs that increase access to healthy food, improve nutrition, mitigate preventive disease, and develop strategies to assist limited resource individuals in accessing health and nutrition resources.

“(C) FARMING SYSTEMS, RURAL PROSPERITY, AND ECONOMIC SUSTAINABILITY.—A center of excellence established under paragraph (1) may share best practices with farmers to improve agricultural production, processing, and marketing, reduce urban food deserts, examine new uses for traditional and nontraditional crops, animals, and natural resources, and continue activities carried out by the Center for Innovative and Sustainable Small Farms, Ranches, and Forest Lands.

“(D) GLOBAL FOOD SECURITY AND DEFENSE.—A center of excellence established under paragraph (1) may engage in international partnerships that strengthen agricultural development in developing countries, partner with international researchers regarding new and emerging animal

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and plant pests and diseases, engage in agricultural disaster recovery, and continue activities carried out by the Center for International Engagement.

“(E) NATURAL RESOURCES, ENERGY, AND ENVIRONMENT.—A center of excellence established under paragraph (1) may focus on protecting and managing domestic natural resources for current and future production of food and agricultural products.

“(F) EMERGING TECHNOLOGIES.—A center of excellence established under paragraph (1) may focus on the development of emerging technologies to increase agricultural productivity, enhance small farm economic viability, and improve rural communities by developing genetic and sensor technologies for food and agriculture and providing technology training to farmers.

“(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection \$10,000,000 for each of fiscal years 2019 through 2023.

“(4) REPORT.—Not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, and every year thereafter, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing—

“(A) the resources invested in the centers of excellence established under paragraph (1); and

“(B) the work being done by those centers of excellence.”.

**SEC. 7214. CLARIFICATION OF VETERAN ELIGIBILITY FOR ASSISTIVE TECHNOLOGY PROGRAM FOR FARMERS WITH DISABILITIES.**

Section 1680 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5933) is amended—

(1) in subsection (a), by adding at the end the following new paragraph:

“(7) CLARIFICATION OF APPLICATION OF PROVISIONS TO VETERANS WITH DISABILITIES.—This subsection shall apply with respect to veterans with disabilities, and their families, who—

“(A) are engaged in farming or farm-related occupations; or

“(B) are pursuing new farming opportunities.”;

(2) in subsection (b)—

(A) by inserting “(including veterans)” after “individuals”; and

(B) by inserting “or, in the case of veterans with disabilities, who are pursuing new farming opportunities” before the period at the end; and

(3) in subsection (c)(1)(B), by striking “2018” and inserting “2023”.

**SEC. 7215. NATIONAL RURAL INFORMATION CENTER CLEARINGHOUSE.**

Section 2381(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 3125b(e)) is amended by striking “2018” and inserting “2023”.

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## **Subtitle C—Agricultural Research, Extension, and Education Reform Act of 1998**

### **SEC. 7301. NATIONAL FOOD SAFETY TRAINING, EDUCATION, EXTENSION, OUTREACH, AND TECHNICAL ASSISTANCE PROGRAM.**

(a) **ENDING LIMITATION ON FUNDING.**—Section 405(e)(3) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7625(e)(3)) is amended to read as follows:

“(3) **TERM OF GRANT.**—A grant under this section shall have a term that is not more than 3 years.”.

(b) **NATIONAL FOOD SAFETY TRAINING, EDUCATION, EXTENSION, OUTREACH, AND TECHNICAL ASSISTANCE PROGRAM.**—Section 405(j) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7625(j)) is amended by striking “there are authorized” and all that follows through the period at the end and inserting “there is authorized to be appropriated \$10,000,000 for each of fiscal years 2019 through 2023.”.

### **SEC. 7302. INTEGRATED RESEARCH, EDUCATION, AND EXTENSION COMPETITIVE GRANTS PROGRAM.**

Section 406(e) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7626(e)) is amended by striking “2018” and inserting “2023”.

### **SEC. 7303. SUPPORT FOR RESEARCH REGARDING DISEASES OF WHEAT, TRITICALE, AND BARLEY CAUSED BY FUSARIUM GRAMINEARUM OR BY TILLETIA INDICA.**

Section 408 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7628) is amended—

(1) in subsection (e)—

(A) in paragraph (1), by striking “and” at the end;

(B) in paragraph (2), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(3) \$15,000,000 for each of fiscal years 2019 through 2023.”; and

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

“(f) **LIMITATION ON INDIRECT COSTS.**—A recipient of a grant under this section may not use more than 10 percent of the funds provided by the grant for the indirect costs of carrying out the initiatives described in subsection (a).”.

### **SEC. 7304. GRANTS FOR YOUTH ORGANIZATIONS.**

Section 410(d)(2) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7630(d)(2)) is amended by striking “2018” and inserting “2023”.

### **SEC. 7305. SPECIALTY CROP RESEARCH INITIATIVE.**

(a) **INDUSTRY NEEDS.**—Section 412(b) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7632(b)) is amended—

(1) in paragraph (1)—

(A) by redesignating subparagraphs (B) through (E) as subparagraphs (C) through (F); and

(B) by inserting after subparagraph (A) the following:

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“(B) size-controlling rootstock systems for perennial crops;”;

(2) in paragraph (2), by striking “including threats to specialty crop pollinators;” and inserting the following: “including—

“(A) threats to specialty crop pollinators;

“(B) emerging and invasive species; and

“(C) a more effective understanding and utilization of existing natural enemy complexes;”;

(3) in paragraph (3)—

(A) by striking “efforts to improve” and inserting the following: “efforts—

“(A) to improve”;

(B) in subparagraph (A) (as so designated), by adding “and” at the end; and

(C) by adding at the end the following:

“(B) to achieve a better understanding of—

“(i) the soil rhizosphere microbiome;

“(ii) pesticide application systems and certified drift-reduction technologies; and

“(iii) systems to improve and extend the storage life of specialty crops;”;

(4) in paragraph (4), by striking “including improved mechanization and technologies that delay or inhibit ripening; and” and inserting the following: “including—

“(A) mechanization and automation of labor-intensive tasks in production and processing;

“(B) technologies that delay or inhibit ripening;

“(C) decision support systems driven by phenology and environmental factors;

“(D) improved monitoring systems for agricultural pests; and

“(E) effective systems for preharvest and postharvest management of quarantine pests; and”.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 412(k)(2) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7632(k)(2)) is amended—

(1) in the subsection heading, by striking “2018” and inserting “2023”; and

(2) by striking “2018” and inserting “2023”.

**SEC. 7306. FOOD ANIMAL RESIDUE AVOIDANCE DATABASE PROGRAM.**

Section 604(e) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7642(e)) is amended by striking “2018” and inserting “2023”.

**SEC. 7307. OFFICE OF PEST MANAGEMENT POLICY.**

Section 614(f)(2) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7653(f)(2)) is amended by striking “2018” and inserting “2023”.

**SEC. 7308. FORESTRY PRODUCTS ADVANCED UTILIZATION RESEARCH.**

Section 617(f)(1) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7655b(f)(1)) is amended by striking “2018” and inserting “2023”.



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## **Subtitle D—Food, Conservation, and Energy Act of 2008**

### **PART I—AGRICULTURAL SECURITY**

#### **SEC. 7401. AGRICULTURAL BIOSECURITY COMMUNICATION CENTER.**

Section 14112(c)(2) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8912(c)(2)) is amended by striking “2018” and inserting “2023”.

#### **SEC. 7402. ASSISTANCE TO BUILD LOCAL CAPACITY IN AGRICULTURAL BIOSECURITY PLANNING, PREPARATION, AND RESPONSE.**

Section 14113 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8913) is amended—

(1) in subsection (a)(2)(B), by striking “2018” and inserting “2023”; and

(2) in subsection (b)(2)(B), by striking “2018” and inserting “2023”.

#### **SEC. 7403. RESEARCH AND DEVELOPMENT OF AGRICULTURAL COUNTERMEASURES.**

Section 14121(b)(2) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8921(b)(2)) is amended by striking “2018” and inserting “2023”.

#### **SEC. 7404. AGRICULTURAL BIOSECURITY GRANT PROGRAM.**

Section 14122(e)(2) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8922(e)(2)) is amended by striking “2018” and inserting “2023”.

### **PART II—MISCELLANEOUS**

#### **SEC. 7411. GRAZINGLANDS RESEARCH LABORATORY.**

Section 7502 of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 2019) is amended by striking “10-year period” and inserting “15-year period”.

#### **SEC. 7412. FARM AND RANCH STRESS ASSISTANCE NETWORK.**

Section 7522 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 5936) is amended—

(1) in subsection (a), by striking “to support cooperative programs between State cooperative extension services and non-profit organizations” and inserting “to eligible entities described in subsection (c)”;

(2) in subsection (b)—

(A) by striking paragraph (5);

(B) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively, and indenting the subparagraphs appropriately;

(C) by striking subparagraph (B) (as so redesignated) and inserting the following:

“(B) training, including training programs and workshops, for—

“(i) advocates for individuals who are engaged in farming, ranching, and other occupations relating to agriculture; and

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“(ii) other individuals and entities that may assist individuals who—

“(I) are engaged in farming, ranching, and other occupations relating to agriculture; and

“(II) are in crisis;”;

(D) in subparagraph (C) (as so redesignated), by adding “and” after the semicolon at the end;

(E) in subparagraph (D) (as so redesignated), by striking “activities; and” and inserting “activities, including the dissemination of information and materials; or”;

(F) in the matter preceding subparagraph (A) (as so redesignated), by striking “be used to initiate” and inserting the following: “be used—

“(1) to initiate”; and

(G) by adding at the end the following:

“(2) to enter into contracts, on a multiyear basis, with community-based, direct-service organizations to initiate, expand, or sustain programs described in paragraph (1) and subsection (a).”; and

(3) by striking subsections (c) and (d) and inserting the following:

“(c) ELIGIBLE RECIPIENTS.—The Secretary may award a grant under this section to—

“(1) an Indian tribe (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304));

“(2) a State department of agriculture;

“(3) a State cooperative extension service;

“(4) a qualified nonprofit organization, as determined by the Secretary;

“(5) an entity providing appropriate services, as determined by the Secretary, in 1 or more States; or

“(6) a partnership carried out by 2 or more entities described in paragraphs (1) through (5).

“(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section \$10,000,000 for each of fiscal years 2019 through 2023.

“(e) REPORT TO CONGRESS.—

“(1) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, the Secretary, in coordination with the Secretary of Health and Human Services, shall submit to Congress and any other relevant Federal department or agency, and make publicly available, a report describing the state of behavioral and mental health of individuals who are engaged in farming, ranching, and other occupations relating to agriculture.

“(2) CONTENTS.—The report under paragraph (1) shall include—

“(A) an inventory and assessment of efforts to support the behavioral and mental health of individuals who are engaged in farming, ranching, and other occupations relating to agriculture by—

“(i) the Federal Government, States, and units of local government;

“(ii) communities comprised of those individuals;

“(iii) health care providers;

“(iv) State cooperative extension services; and

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“(v) other appropriate entities, as determined by the Secretary;

“(B) a description of the challenges faced by individuals who are engaged in farming, ranching, and other occupations relating to agriculture that may impact the behavioral and mental health of farmers and ranchers;

“(C) a description of how the Department of Agriculture can improve coordination and cooperation with Federal health departments and agencies, including the Department of Health and Human Services, the Substance Abuse and Mental Health Services Administration, the Health Resources and Services Administration, the Centers for Disease Control and Prevention, and the National Institutes of Health, to best address the behavioral and mental health of individuals who are engaged in farming, ranching, and other occupations relating to agriculture;

“(D) a long-term strategy for responding to the challenges described under subparagraph (B) and recommendations based on best practices for further action to be carried out by appropriate Federal departments or agencies to improve Federal Government response and seek to prevent suicide among individuals who are engaged in farming, ranching, and other occupations relating to agriculture; and

“(E) an evaluation of the impact that behavioral and mental health challenges and outcomes (including suicide) among individuals who are engaged in farming, ranching, and other agriculture related occupations have on—

“(i) the agricultural workforce;

“(ii) agricultural production;

“(iii) rural families and communities; and

“(iv) succession planning.

“(f) STATE DEFINED.—For purposes of this section, the term ‘State’ has the meaning given such term in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103).”.

**SEC. 7413. NATURAL PRODUCTS RESEARCH PROGRAM.**

Section 7525(e) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 5937(e)) is amended by striking “2018” and inserting “2023”.

**SEC. 7414. SUN GRANT PROGRAM.**

Section 7526(g) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8114(g)) is amended by striking “2018” and inserting “2023”.

## **Subtitle E—Amendments to Other Laws**

**SEC. 7501. CRITICAL AGRICULTURAL MATERIALS ACT.**

(a) HEMP RESEARCH.—Section 5(b)(9) of the Critical Agricultural Materials Act (7 U.S.C. 178c(b)(9)) is amended by inserting “, and including hemp (as defined in section 297A of the Agricultural Marketing Act of 1946)” after “hydrocarbon-containing plants”.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 16(a)(2) of the Critical Agricultural Materials Act (7 U.S.C. 178n(a)(2)) is amended by striking “2018” and inserting “2023”.

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**SEC. 7502. EQUITY IN EDUCATIONAL LAND-GRANT STATUS ACT OF 1994.****(a) 1994 INSTITUTION DEFINED.—**

(1) **IN GENERAL.**—Section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382) is amended to read as follows:

**“SEC. 532. DEFINITION OF 1994 INSTITUTION.**

“In this part, the term ‘1994 Institution’ means any of the following colleges:

- “(1) Aaniiih Nakoda College.
- “(2) Bay Mills Community College.
- “(3) Blackfeet Community College.
- “(4) Cankdeska Cikana Community College.
- “(5) Chief Dull Knife College.
- “(6) College of Menominee Nation.
- “(7) College of the Muscogee Nation.
- “(8) D–Q University.
- “(9) Dine College.
- “(10) Fond du Lac Tribal and Community College.
- “(11) Fort Peck Community College.
- “(12) Haskell Indian Nations University.
- “(13) Ilisagvik College.
- “(14) Institute of American Indian and Alaska Native Culture and Arts Development.
- “(15) Keweenaw Bay Ojibwa Community College.
- “(16) Lac Courte Oreilles Ojibwa Community College.
- “(17) Leech Lake Tribal College.
- “(18) Little Big Horn College.
- “(19) Little Priest Tribal College.
- “(20) Navajo Technical University.
- “(21) Nebraska Indian Community College.
- “(22) Northwest Indian College.
- “(23) Nueta Hidatsa Sahnish College.
- “(24) Oglala Lakota College.
- “(25) Red Lake Nation College.
- “(26) Saginaw Chippewa Tribal College.
- “(27) Salish Kootenai College.
- “(28) Sinte Gleska University.
- “(29) Sisseton Wahpeton College.
- “(30) Sitting Bull College.
- “(31) Southwestern Indian Polytechnic Institute.
- “(32) Stone Child College.
- “(33) Tohono O’odham Community College.
- “(34) Turtle Mountain Community College.
- “(35) United Tribes Technical College.
- “(36) White Earth Tribal and Community College.”

7 USC 301 note.

**(2) EFFECTIVE DATE.**—The amendment made by paragraph

(1) shall take effect on the date of the enactment of this Act.

(b) **ENDOWMENT FOR 1994 INSTITUTIONS.**—Section 533(b) of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382) is amended in the first sentence by striking “2018” and inserting “2023”.

(c) **INSTITUTIONAL CAPACITY BUILDING GRANTS.**—Section 535 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382) is amended by striking “2018”

each place it appears in subsections (b)(1) and (c) and inserting “2023”.

(d) RESEARCH GRANTS.—Section 536(c) of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382) is amended in the first sentence by striking “2018” and inserting “2023”.

**SEC. 7503. RESEARCH FACILITIES ACT.**

(a) AGRICULTURAL RESEARCH FACILITY DEFINED.—The Research Facilities Act is amended—

(1) in section 2(1) (7 U.S.C. 390(1)) by striking “a college, university, or nonprofit institution” and inserting “an entity eligible to receive funds under a capacity and infrastructure program (as defined in section 251(f)(1)(C) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6971(f)(1)(C)))”; and

(2) in section 3(c)(2)(D) (7 U.S.C. 390a(c)(2)(D)), by striking “recipient college, university, or nonprofit institution” and inserting “recipient entity”.

(b) LONG-TERM SUPPORT.—Section 3(c)(2)(D) of the Research Facilities Act (7 U.S.C. 390a(c)(2)(D)), as amended by subsection (a), is further amended by striking “operating costs” and inserting “operating and maintenance costs”.

(c) COMPETITIVE GRANT PROGRAM.—The Research Facilities Act is amended by inserting after section 3 (7 U.S.C. 390a) the following new section:

**“SEC. 4. COMPETITIVE GRANT PROGRAM.**

7 USC 390b.

“The Secretary shall establish a program to make competitive grants to assist in the construction, alteration, acquisition, modernization, renovation, or remodeling of agricultural research facilities.”

(d) AUTHORIZATION OF APPROPRIATIONS AND FUNDING LIMITATIONS.—Section 6 of the Research Facilities Act (7 U.S.C. 390d) is amended—

(1) in subsection (a)—

(A) by striking “subsection (b),” and inserting “subsections (b), (c), and (d).”; and

(B) by striking “2018” and inserting “2023”; and

(C) by adding at the end the following new sentence: “Funds appropriated pursuant to the preceding sentence shall be available until expended.”; and

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

“(c) MAXIMUM AMOUNT.—Not more than 25 percent of the funds made available pursuant to subsection (a) for any fiscal year shall be used for any single agricultural research facility project.

“(d) PROJECT LIMITATION.—An entity eligible to receive funds under this Act may receive funds for only one project at a time.”.

**SEC. 7504. AGRICULTURE AND FOOD RESEARCH INITIATIVE.**

Subsection (b) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 3157(b)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (D)—

(i) by redesignating clauses (iii) through (vii) as clauses (iv) through (viii), respectively; and

(ii) by inserting after clause (ii) the following new clause:

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- “(iii) soil health.”;
- (B) in subparagraph (E)—
- (i) in clause (iii), by striking “and” at the end;
- (ii) in clause (iv), by striking the period at the end and inserting “; and”; and
- (iii) by adding at the end the following new clause:
- “(v) tools that accelerate the use of automation or mechanization for labor-intensive tasks in the production and distribution of crops.”; and
- (C) in subparagraph (F)—
- (i) in clause (vi), by striking “and” at the end;
- (ii) in clause (vii), by striking the period at the end and inserting “; and”; and
- (iii) by adding at the end the following new clause:
- “(viii) barriers and bridges to entry and farm viability for young, beginning, socially disadvantaged, veteran, and immigrant farmers and ranchers, including farm succession, transition, transfer, entry, and profitability issues.”;
- (2) in paragraph (6)—
- (A) in subparagraph (D), by striking “and” at the end;
- (B) in subparagraph (E), by striking the period at the end and inserting “; and”; and
- (C) by adding at the end the following:
- “(F) to an institution to carry out collaboration in biomedical and agricultural research using existing research models.”; and
- (3) in paragraph (11)(A)—
- (A) in the matter preceding clause (i), by striking “2018” and inserting “2023”; and
- (B) in clause (ii), by striking “4” and inserting “5”.

**SEC. 7505. EXTENSION DESIGN AND DEMONSTRATION INITIATIVE.**

(a) IN GENERAL.—The Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 3157) is amended by inserting after subsection (c) the following:

“(d) EXTENSION DESIGN AND DEMONSTRATION INITIATIVE.—

“(1) PURPOSE.—The purpose of this subsection is to encourage the design of adaptive prototype systems for improving extension and education that seek to advance the application, translation, and demonstration of scientific discoveries and other agricultural research for the adoption and understanding of food, agricultural, and natural resources practices, techniques, methods, and technologies using digital or other novel platforms.

“(2) GRANTS.—The Secretary shall award grants each fiscal year on a competitive basis—

“(A) for the design of 1 or more extension and education prototype systems—

“(i) that leverage digital platforms or other novel means of translating, delivering, or demonstrating agricultural research; and

“(ii) to adapt, apply, translate, or demonstrate scientific findings, data, technology, and other research outcomes to producers, the agricultural industry, and other interested persons or organizations; and



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“(B) to demonstrate, by incorporating analytics and specific metrics, the value, impact, and return on the Federal investment of a prototype system designed under subparagraph (A) as a model for use by other eligible entities described in paragraph (3) for improving, modernizing, and adapting applied research, demonstration, and extension services.

“(3) ELIGIBLE ENTITIES.—An entity that is eligible to receive a grant under paragraph (2) is—

“(A) a State agricultural experiment station (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103));

“(B) a cooperative extension service (as defined in such section); and

“(C) a land-grant college or university (as defined in such section).

“(4) REQUIREMENT.—The Secretary shall award grants under paragraph (2) to not fewer than 2 and not more than 5 eligible entities described in paragraph (3) that represent a diversity of regions, commodities, and agricultural or food production issues.

“(5) TERM.—The term of a grant awarded under paragraph (2) shall be not longer than 5 years.

“(6) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection \$5,000,000 for each of fiscal years 2019 through 2023, to remain available until expended.”.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—The Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 3157) is amended—

(1) in subsection (c)(2), in the matter preceding subparagraph (A), by striking “subsection—” and all that follows through “for the planning” in subparagraph (B) and inserting “subsection for the planning”; and

(2) in subsection (h), by inserting “, (d),” after “subsections (b)”.

**SEC. 7506. REPEAL OF REVIEW OF AGRICULTURAL RESEARCH SERVICE.**

Section 7404 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3101 note; Public Law 107–171) is repealed.

**SEC. 7507. BIOMASS RESEARCH AND DEVELOPMENT.**

Section 9008 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8108) is amended—

(1) in subsection (a)(1)—

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

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

(C) by adding at the end the following:

“(C) carbon dioxide that—

“(i) is intended for permanent sequestration or utilization; and

“(ii) is a byproduct of the production of the products described in subparagraphs (A) and (B).”;

(2) in subsection (d)(2)(A)—

(A) in clause (xii), by striking “and” at the end;

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- (B) by redesignating clause (xiii) as clause (xiv); and
- (C) by inserting after clause (xii) the following:
  - “(xiii) an individual with expertise in carbon dioxide capture, utilization, and sequestration; and”;
- (3) in subsection (e)—
  - (A) in paragraph (2)(B)—
    - (i) in clause (ii), by striking “and” at the end; and
    - (ii) by adding at the end the following:
      - “(iv) to permanently sequester or utilize carbon dioxide described in subsection (a)(1)(C); and”;
  - (B) in paragraph (3)(B)—
    - (i) in clause (i), by striking “and” at the end;
    - (ii) in clause (ii), by striking the period at the end and inserting “; and”;
    - (iii) by adding at the end the following:
      - “(iii) the development of technologies to permanently sequester or utilize carbon dioxide described in subsection (a)(1)(C).”;
- (4) in subsection (h)(2), by striking “2018” and inserting “2023”.

**SEC. 7508. REINSTATEMENT OF MATCHING REQUIREMENT FOR FEDERAL FUNDS USED IN EXTENSION WORK AT THE UNIVERSITY OF THE DISTRICT OF COLUMBIA.**

(a) **IN GENERAL.**—Section 209(c) of the District of Columbia Public Postsecondary Education Reorganization Act (Public Law 93–471; sec. 38–1202.09(c), D.C. Official Code) is amended by inserting after the first sentence the following: “Such sums may be used to pay not more than ½ of the total cost of providing such extension work.”

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

**SEC. 7509. RENEWABLE RESOURCES EXTENSION ACT OF 1978.**

(a) **AUTHORIZATION OF APPROPRIATIONS.**—Section 6 of the Renewable Resources Extension Act of 1978 (16 U.S.C. 1675) is amended in the first sentence by striking “2018” and inserting “2023”.

(b) **TERMINATION DATE.**—Section 8 of the Renewable Resources Extension Act of 1978 (16 U.S.C. 1671 note; Public Law 95–306) is amended by striking “2018” and inserting “2023”.

**SEC. 7510. NATIONAL AQUACULTURE ACT OF 1980.**

Section 10 of the National Aquaculture Act of 1980 (16 U.S.C. 2809) is amended by striking “2018” each place it appears and inserting “2023”.

**SEC. 7511. FEDERAL AGRICULTURE RESEARCH FACILITIES.**

Section 1431 of the National Agricultural Research, Extension, and Teaching Policy Act Amendments of 1985 (title XIV of Public Law 99–198; 99 Stat. 1556) is amended by striking “2018” and inserting “2023”.

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## Subtitle F—Other Matters

### SEC. 7601. ENHANCED USE LEASE AUTHORITY PROGRAM.

(a) **TRANSITION TO PERMANENT PROGRAM.**—Section 308 of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 3125a note) is amended—

- (1) in the section heading, by striking “PILOT”; and
- (2) in subsection (a), by striking “pilot”.

(b) **TERMINATION OF AUTHORITY EXTENDED.**—Section 308(b)(6)(A) of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 3125a note) is amended by striking “on the date that is 10 years after the date of enactment of this section” and inserting “on September 30, 2023”.

(c) **REPORTS.**—Section 308(d)(2) of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 3125a note) is amended by striking “Not later than 6, 8, and 10 years after the date of enactment of this section” and inserting “Not later than September 30, 2021”.

### SEC. 7602. TRANSFER OF ADMINISTRATIVE JURISDICTION OVER PORTION OF HENRY A. WALLACE BELTSVILLE AGRICULTURAL RESEARCH CENTER, BELTSVILLE, MARYLAND.

(a) **TRANSFER AUTHORIZED.**—Subject to subsection (e), the Secretary may transfer to the Secretary of the Treasury administrative jurisdiction over a parcel of real property at the Henry A. Wallace Beltsville Agricultural Research Center consisting of approximately 100 acres, which was originally acquired by the United States through land acquisitions in 1910 and 1925, and is generally located off of Poultry Road lying between Powder Mill Road and Odell Road in Beltsville, Maryland, for the purpose of facilitating the establishment of Bureau of Engraving and Printing facilities on the parcel.

(b) **LEGAL DESCRIPTION AND MAP.**—

(1) **PREPARATION.**—The Secretary shall prepare a legal description and map of the parcel of real property to be transferred under subsection (a).

(2) **FORCE OF LAW.**—The legal description and map prepared under paragraph (1) shall have the same force and effect as if included in this Act, except that the Secretary may correct errors in the legal description and map.

(c) **TERMS AND CONDITIONS.**—The transfer of administrative jurisdiction under subsection (a) shall be subject to easements, valid existing rights, and such other reservations, terms, and conditions as the Secretary considers to be necessary.

(d) **WAIVER.**—The parcel of real property under subsection (a) is exempt from Federal screening for other possible use due to an identified Federal need for the parcel as the site of Bureau of Engraving and Printing facilities.

(e) **CONDITIONS FOR TRANSFER.**—As a condition of the transfer of administrative jurisdiction under subsection (a) with respect to the parcel described in such subsection—

- (1) the Secretary of the Treasury shall agree to pay the Secretary the costs incurred to carry out such transfer, including the costs for—

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(A) any environmental or administrative analysis required by law with respect to the parcel to be so transferred;

(B) a survey of such parcel, if necessary; and

(C) any hazardous substances assessment of the parcel to be so transferred; and

(2) except as provided in subsection (d), the Secretary shall enter into a binding memorandum of agreement with the Secretary of the Treasury regarding the responsibilities, including financial responsibilities, of each party for evaluating and, if necessary, remediating or otherwise addressing hazardous substances, pollutants, or contaminants found at the parcel described in subsection (a).

(f) HAZARDOUS MATERIALS.—Nothing in this section, or the amendments made by this section, amends, alters, or affects the relevant Federal and State environmental laws, including the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.), or the application of such laws to the parcel of real property transferred under subsection (a).

**SEC. 7603. FOUNDATION FOR FOOD AND AGRICULTURE RESEARCH.**

Section 7601 of the Agricultural Act of 2014 (7 U.S.C. 5939) is amended—

(1) in subsection (d)(1)—

(A) in subparagraph (B)—

(i) in clause (ii), by striking “conflicts,” and inserting “conflicts, specifically at the Department of Agriculture; and”; and

(ii) by adding at the end the following new clause: “(iii) document the consultation process and include a summary of the results in the annual report required in subsection (f)(3)(B); and

(B) in subparagraph (D), by inserting “and agriculture stakeholders” after “community”;

(2) in subsection (e)—

(A) in paragraph (2)(C)(ii)(I), by inserting “agriculture or” before “agricultural research”; and

(B) in paragraph (4)(A)—

(i) in clause (iii), by striking “and” at the end;

(ii) by redesignating clause (iv) as clause (v); and

(iii) by inserting after clause (iii) the following:

“(iv) actively solicit and accept funds, gifts, grants, devises, or bequests of real or personal property made to the Foundation, including from private entities; and”;

(3) in subsection (f)—

(A) in paragraph (2)(A)(iii), by striking “any”; and

(B) in paragraph (3)(B)—

(i) in clause (i)(I)—

(I) in the matter preceding item (aa), by inserting “and post online” before “a report”;

(II) in item (aa), by striking “accomplishments; and” and inserting “accomplishments and how those activities align to the challenges identified in the strategic plan under clause (iv);”;

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(III) in item (bb), by striking the period at the end and inserting “; and”; and

(IV) by adding at the end the following:

“(cc) a description of available agricultural research programs and priorities for the upcoming fiscal year.”; and

(ii) by adding at the end the following:

“(iii) STAKEHOLDER NOTICE.—The Foundation shall publish an annual notice with a description of agricultural research priorities under this section for the upcoming fiscal year, including—

“(I) a schedule for funding competitions;

“(II) a discussion of how applications for funding will be evaluated; and

“(III) how the Foundation will communicate information about funded awards to the public to ensure that grantees and partners understand the objectives of the Foundation.

“(iv) STRATEGIC PLAN.—Not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, the Foundation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a strategic plan describing a path for the Foundation to become self-sustaining, including—

“(I) a forecast of major agricultural challenge opportunities identified by the scientific advisory councils of the Foundation and approved by the Board, including short- and long-term objectives;

“(II) an overview of the efforts that the Foundation will take to be transparent in each of the processes of the Foundation, including—

“(aa) processes relating to grant awards, including the selection, review, and notification processes;

“(bb) communication of past, current, and future research priorities; and

“(cc) plans to solicit and respond to public input on the opportunities identified in the strategic plan;

“(III) a description of financial goals and benchmarks for the next 10 years, including a detailed plan for—

“(aa) raising funds in amounts greater than the amounts required under subsection (g)(1)(B);

“(bb) soliciting additional resources pursuant to subsections (e)(4)(A)(iv) and (f)(2)(A)(iii); and

“(cc) managing and leveraging such resources pursuant to subsection (f)(2)(A)(vii); and

“(IV) other related issues, as determined by the Board.”; and

(4) in subsection (g)(1)—

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(A) in the paragraph heading, by striking “MANDATORY FUNDING” and inserting “FUNDING”;

(B) in subparagraph (A)—

(i) by striking “On the date” and inserting the following:

“(i) ESTABLISHMENT FUNDING.—On the date”; and

(ii) by adding at the end the following:

“(ii) ENHANCED FUNDING.—On the date on which the strategic plan described in subsection (f)(3)(B)(iv) is submitted, of the funds of the Commodity Credit Corporation, the Secretary shall transfer to the Foundation to carry out this section \$185,000,000, to remain available until expended.”; and

(C) in subparagraph (B)—

(i) by striking “The Foundation” and inserting the following:

“(i) IN GENERAL.—The Foundation”;

(ii) in clause (i) (as so designated)—

(I) by striking “purposes” and inserting “purposes, duties, and powers”; and

(II) by striking “non-Federal matching funds for each expenditure” and inserting “matching funds from a non-Federal source, including an agricultural commodity promotion, research, and information program”; and

(iii) by adding at the end the following:

“(ii) EFFECT.—Nothing in this section requires the Foundation to require a matching contribution from an individual grantee as a condition of receiving a grant under this section.”.

**SEC. 7604. ASSISTANCE FOR FORESTRY RESEARCH UNDER THE MCINTIRE-STENNIS COOPERATIVE FORESTRY ACT.**

Section 2 of Public Law 87–788 (commonly known as the “McIntire-Stennis Cooperative Forestry Act”) (16 U.S.C. 582a–1) is amended in the second sentence—

(1) by striking “and” before “1890 Institutions”; and

(2) by inserting “and 1994 Institutions (as defined in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382)) that offer an associate’s degree or a baccalaureate degree in forestry,” before “and (b)”.

**SEC. 7605. LEGITIMACY OF INDUSTRIAL HEMP RESEARCH.**

(a) IN GENERAL.—Section 7606 of the Agricultural Act of 2014 (7 U.S.C. 5940) is amended—

(1) by redesignating subsections (a) and (b) as subsections (b) and (a), respectively, and moving the subsections so as to appear in alphabetical order;

(2) in subsection (a) (as so redesignated)—

(A) by redesignating paragraph (3) as paragraph (4); and

(B) by inserting after paragraph (2) the following:

“(3) STATE.—The term ‘State’ has the meaning given such term in section 297A of the Agricultural Marketing Act of 1946.”;



(3) in subsection (b) (as so redesignated), in the subsection heading, by striking “IN GENERAL” and inserting “INDUSTRIAL HEMP RESEARCH”; and

(4) by adding at the end the following:

“(c) STUDY AND REPORT.—

“(1) IN GENERAL.—The Secretary shall conduct a study of agricultural pilot programs—

“(A) to determine the economic viability of the domestic production and sale of industrial hemp; and

“(B) that shall include a review of—

“(i) each agricultural pilot program; and

“(ii) any other agricultural or academic research relating to industrial hemp.

“(2) REPORT.—Not later than 12 months after the date of enactment of this subsection, the Secretary shall submit to Congress a report describing the results of the study conducted under paragraph (1).”.

(b) REPEAL.—Effective on the date that is 1 year after the date on which the Secretary establishes a plan under section 297C of the Agricultural Marketing Act of 1946, section 7606 of the Agricultural Act of 2014 (7 U.S.C. 5940) is repealed.

7 USC 5940 note.

**SEC. 7606. COLLECTION OF DATA RELATING TO BARLEY AREA PLANTED AND HARVESTED.**

For all acreage reports published after the date of enactment of this Act, the Secretary, acting through the Administrator of the National Agricultural Statistics Service, shall include the State of New York in the States surveyed to produce the table entitled “Barley Area Planted and Harvested” in those reports.

**SEC. 7607. COLLECTION OF DATA RELATING TO THE SIZE AND LOCATION OF DAIRY FARMS.**

(a) IN GENERAL.—Not later than 60 days after the date on which the 2017 Census of Agriculture is released, the Secretary, acting through the Administrator of the Economic Research Service, shall update the report entitled “Changes in the Size and Location of US Dairy Farms” contained in the report of the Economic Research Service entitled “Profits, Costs, and the Changing Structure of Dairy Farming” and published in September 2007.

(b) REQUIREMENT.—In updating the report described in subsection (a), the Secretary shall, to the maximum extent practicable, use the same unit of measurement for reporting the full range of herd sizes in Table 1 and Table 2 of the report while maintaining confidentiality of individual producers.

**SEC. 7608. AGRICULTURE INNOVATION CENTER DEMONSTRATION PROGRAM.**

Section 6402 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1632b) is amended—

(1) in subsection (d)(2)—

(A) in the matter preceding subparagraph (A), by striking “representatives of each of the following groups” and inserting “a diverse group of representatives of public and private entities, including the following:”;

(B) in subparagraph (A), by striking “The 2” and inserting “Two”;

(C) in subparagraph (B), by inserting “or a State legislator,” after “agency,”; and

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(D) by amending subparagraph (C) to read as follows:

“(C) Four entities representing commodities produced in the State.”;

(2) in subsection (e)(1), by striking “subsection (i)” and inserting “subsection (g)”;

(3) by striking subsections (g), (h), and (i) and inserting the following new subsection:

“(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section \$15,000,000 for each of fiscal years 2019 through 2023.”.

**SEC. 7609. SMITH-LEVER COMMUNITY EXTENSION PROGRAM.**

(a) IN GENERAL.—Section 3(d) of the Smith-Lever Act (7 U.S.C. 343(d)) is amended by adding at the end the following new sentence: “A 1994 Institution (as defined in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382)) may compete for and receive funds directly from the Secretary of Agriculture for the Children, Youth, and Families at Risk funding program and the Federally Recognized Tribes Extension Program.”.

(b) CONFORMING AMENDMENT.—Section 533(a)(2)(A) of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382) is amended by striking clause (ii) and inserting the following:

“(ii) the Smith-Lever Act (7 U.S.C. 341 et seq.), except as provided under—

“(I) section 3(b)(3) of that Act (7 U.S.C. 343(b)(3)); or

“(II) the third sentence of section 3(d) of that Act (7 U.S.C. 343(d)); or”.

7 USC 7632 note.

**SEC. 7610. MECHANIZATION AND AUTOMATION FOR SPECIALTY CROPS.**

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall conduct a review of the programs of the Department of Agriculture that affect the production or processing of specialty crops.

(b) REQUIREMENTS.—The review under subsection (a) shall identify—

(1) programs that currently are, or previously have been, effectively used to accelerate the development and use of automation or mechanization in the production or processing of specialty crops; and

(2) programs that may be more effectively used to accelerate the development and use of automation or mechanization in the production or processing of specialty crops.

(c) STRATEGY.—With respect to programs identified under subsection (b), the Secretary shall develop and implement a strategy to accelerate the development and use of automation and mechanization in the production or processing of specialty crops.

**SEC. 7611. EXPERIENCED SERVICES PROGRAM.**

Section 1252 of the Food Security Act of 1985 (16 U.S.C. 3851) is amended—

(1) in the section heading, by striking “AGRICULTURE CONSERVATION”;

(2) in subsection (a)—

(A) in the first sentence—

(i) by striking “a conservation” and inserting “an”;

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- (ii) by striking “(in this section referred to as the ‘ACES Program’)” and inserting “(referred to in this section as the ‘program’)”; and
- (iii) by striking “provide technical” and inserting the following: “provide—
- “(1) technical”; and
- (B) in paragraph (1) (as so designated)—
  - (i) by striking “Secretary. Such technical services may include” and inserting “Secretary, including”;
  - (ii) by striking the period at the end and inserting “; and”; and
  - (iii) by adding at the end the following:
    - “(2) technical, professional, and administrative services to support the research, education, and economics mission area of the Department of Agriculture (including the Agricultural Research Service, the Economic Research Service, the National Agricultural Library, the National Agricultural Statistics Service, the Office of the Chief Scientist, and the National Institute of Food and Agriculture), including—
      - “(A) supporting agricultural research and information;
      - “(B) advancing scientific knowledge relating to agriculture;
      - “(C) enhancing access to agricultural information;
      - “(D) providing statistical information and research results to farmers, ranchers, agribusiness, and public officials; and
      - “(E) assisting research, education, and extension programs in land-grant colleges and universities (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)).”;
- (3) by striking “ACES” each place it appears;
- (4) by striking “technical services” each place it appears (other than in subsection (a)) and inserting “technical, professional, or administrative services, as applicable,”; and
- (5) in subsection (c)—
  - (A) in paragraph (1)—
    - (i) by striking the paragraph heading and inserting “CONSERVATION TECHNICAL SERVICES.—”; and
    - (ii) by inserting “with respect to subsection (a)(1),” before “the Secretary”; and
  - (B) by adding at the end the following new paragraph:
    - “(3) RESEARCH, EDUCATION, AND ECONOMICS SERVICES.— With respect to services referred to in subsection (a)(2), the Secretary may carry out the program under the mission area referred to in such subsection to the extent that funds are specifically appropriated to provide such services under such mission area.”.

**SEC. 7612. SIMPLIFIED PLAN OF WORK.**

- (a) SMITH-LEVER ACT.—The Smith-Lever Act is amended—
  - (1) in section 3(h)(2) (7 U.S.C. 343(h)(2)), by striking subparagraph (D); and
  - (2) in section 4(c) (7 U.S.C. 344(c)), by striking paragraphs (1) through (5) and inserting the following new paragraphs:
    - “(1) A summary of planned projects or programs in the State using formula funds.

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“(2) A description of the manner in which the State will meet the requirements of section 3(h).

“(3) A description of the manner in which the State will meet the requirements of section 3(i)(2) of the Hatch Act of 1887 (7 U.S.C. 361c(i)(2)).

“(4) A description of matching funds provided by the State with respect to the previous fiscal year.”.

(b) HATCH ACT.—The Hatch Act of 1887 is amended—

(1) in section 3 (7 U.S.C. 361c)—

(A) by amending subsection (h) to read as follows:

“(h) PEER REVIEW.—Research carried out under subsection (c)(3) shall be subject to scientific peer review. The review of a project conducted under this subsection shall be considered to satisfy the merit review requirements of section 103(e) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7613(e)).”; and

(B) in subsection (i)(2), by striking subparagraph (D);

and

(2) in section 7(e) (7 U.S.C. 361g(e)), by striking paragraphs (1) through (4) and inserting the following new paragraphs:

“(1) A summary of planned projects or programs in the State using formula funds.

“(2) A description of the manner in which the State will meet the requirements of subsections (c)(3) and (i)(2) of section 3.

“(3) A description of matching funds provided by the State with respect to the previous fiscal year.”.

(c) EXTENSION AND RESEARCH AT 1890 INSTITUTIONS.—

(1) EXTENSION.—Section 1444(d)(3) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3221(d)(3)) is amended by striking subparagraphs (A) through (E) and inserting the following new subparagraphs:

“(A) A summary of planned projects or programs in the State using formula funds.

“(B) A description of matching funds provided by the State with respect to the previous fiscal year.”.

(2) RESEARCH.—Section 1445(c)(3) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222(c)(3)) is amended by striking subparagraphs (A) through (E) and inserting the following new subparagraphs:

“(A) A summary of planned projects or programs in the State using formula funds.

“(B) A description of matching funds provided by the State with respect to the previous fiscal year.”.

7 USC 343 note.

**SEC. 7613. REVIEW OF LAND-GRANT TIME AND EFFORT REPORTING REQUIREMENTS.**

(a) IN GENERAL.—The Secretary, in consultation with the Office of Management and Budget, shall review and revise current reporting requirements related to compensation charges, documentation of personnel expenses, and other requirements that are commonly referred to as time and effort reporting for entities that receive funds under a program referred to in clause (iii), (iv), (vii), (viii), or (xii) of section 251(f)(1)(C) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6971(f)(1)(C)).

(b) REVISIONS.—The Secretary shall ensure that any revision made pursuant to subsection (a)—

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(1) is developed in collaboration with entities described in subsection (a); and

(2) reduces the amount of paperwork and time required by the requirements referred to in such subsection, as such requirements are in effect on the date of the enactment of this Act.

**SEC. 7614. MATCHING FUNDS REQUIREMENT.**

(a) **REPEAL.**—Subtitle P of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3371) is repealed.

(b) **CONFORMING AMENDMENTS.**—

(1) **NATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING POLICY ACT OF 1977.**—

(A) **GRANTS TO ENHANCE RESEARCH CAPACITY IN SCHOOLS OF VETERINARY MEDICINE.**—Section 1415(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3151(a)) is amended—

(i) by striking “The Secretary” and inserting the following:

“(1) **IN GENERAL.**—The Secretary”; and

(ii) by adding at the end the following:

“(2) **MATCHING REQUIREMENT.**—A State receiving a grant under paragraph (1) shall provide State matching funds equal to not less than the amount of the grant.”.

(B) **AQUACULTURE ASSISTANCE GRANT PROGRAM.**—Section 1475(b) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3322(b)) is amended by striking “The Secretary” and all that follows through the period at the end and inserting the following:

“(1) **IN GENERAL.**—Subject to paragraph (3), the Secretary may make competitive grants to entities eligible for grants under paragraph (2) for research and extension to facilitate or expand promising advances in the production and marketing of aquacultural food species and products and to enhance the safety and wholesomeness of those species and products, including the development of reliable supplies of seed stock and therapeutic compounds.

“(2) **ELIGIBLE ENTITIES.**—The Secretary may make a competitive grant under paragraph (1) to—

“(A) a land-grant or seagrant college or university;

“(B) a State agricultural experiment station;

“(C) a college, university, or Federal laboratory having a demonstrable capacity to conduct aquacultural research, as determined by the Secretary; or

“(D) a nonprofit private research institution.

“(3) **MATCHING STATE GRANTS.**—

“(A) **IN GENERAL.**—Except as provided in subparagraph (B), the Secretary shall not make a grant under paragraph (1) unless the State in which the grant recipient is located makes a grant to that recipient in an amount equal to not less than the amount of the grant under paragraph (1) (of which State amount an in-kind contribution shall not exceed 50 percent).

“(B) **FEDERAL LABORATORIES.**—Subparagraph (A) shall not apply to a grant to a Federal laboratory.”.

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(C) RANGELAND RESEARCH.—Section 1480 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3333) is amended—

(i) by striking “The Secretary” and inserting “(a) IN GENERAL.—The Secretary”; and

(ii) by adding at the end the following new subsection:

“(b) MATCHING REQUIREMENTS.—

“(1) IN GENERAL.—Except as provided in paragraph (2), this grant program shall be based on a matching formula of 50 percent Federal and 50 percent non-Federal funding (including funding from an agricultural commodity promotion, research, and information program).

“(2) EXCEPTION.—Paragraph (1) shall not apply to a grant to a Federal laboratory or a grant under subsection (a)(2).”.

(2) FOOD, AGRICULTURE, CONSERVATION, AND TRADE ACT OF 1990.—

(A) FEDERAL-STATE MATCHING GRANT PROGRAM.—Section 1623(d)(2) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5813(d)(2)) is amended by striking the second sentence.

(B) AGRICULTURAL GENOME INITIATIVE.—Section 1671 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5924) (as amended by section 7208) is amended—

(i) by redesignating subsection (f) as subsection (g); and

(ii) by inserting after subsection (e) the following:

“(f) MATCHING FUNDS REQUIREMENT.—

“(1) IN GENERAL.—Subject to paragraph (3), with respect to a grant or cooperative agreement under this section that provides a particular benefit to a specific agricultural commodity, the recipient of funds under the grant or cooperative agreement shall provide non-Federal matching funds (including funds from an agricultural commodity promotion, research, and information program) equal to not less than the amount provided under the grant or cooperative agreement.

“(2) IN-KIND SUPPORT.—Non-Federal matching funds described in paragraph (1) may include in-kind support.

“(3) WAIVER.—The Secretary may waive the matching funds requirement under paragraph (1) with respect to a research project if the Secretary determines that—

“(A) the results of the project are of a particular benefit to a specific agricultural commodity, but those results are likely to be applicable to agricultural commodities generally; or

“(B)(i) the project—

“(I) involves a minor commodity; and

“(II) deals with scientifically important research;

and

“(ii) the recipient is unable to satisfy the matching funds requirement.”.

(C) HIGH-PRIORITY RESEARCH AND EXTENSION INITIATIVES.—Section 1672(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925(a)) is amended—

(i) by striking “The Secretary of Agriculture” and inserting the following:



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“(1) IN GENERAL.—The Secretary of Agriculture”;

(ii) in paragraph (1) (as so designated), in the second sentence, by striking “The Secretary shall” and inserting the following:

“(3) CONSULTATION.—The Secretary shall”; and

(iii) by inserting after paragraph (1) the following:

“(2) MATCHING FUNDS REQUIREMENT.—

“(A) IN GENERAL.—Subject to subparagraph (C), an entity receiving a grant under paragraph (1) shall provide non-Federal matching funds (including funds from an agricultural commodity promotion, research, and information program) equal to not less than the amount of the grant.

“(B) IN-KIND SUPPORT.—Non-Federal matching funds described in subparagraph (A) may include in-kind support.

“(C) WAIVER.—The Secretary may waive the matching funds requirement under subparagraph (A) with respect to a research project if the Secretary determines that—

“(i) the results of the project are of a particular benefit to a specific agricultural commodity, but those results are likely to be applicable to agricultural commodities generally; or

“(ii)(I) the project—

“(aa) involves a minor commodity; and

“(bb) deals with scientifically important research; and

“(II) the recipient is unable to satisfy the matching funds requirement.”.

(D) ORGANIC AGRICULTURE RESEARCH AND EXTENSION INITIATIVE.—Section 1672B of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925b) (as amended by section 7210) is amended—

(i) by redesignating subsections (c), (d), and (e) as subsections (d), (e), and (f), respectively; and

(ii) by inserting after subsection (b) the following:

“(c) MATCHING REQUIREMENT.—

“(1) IN GENERAL.—Subject to paragraph (3), an entity receiving a grant under subsection (a) shall provide non-Federal matching funds (including funds from an agricultural commodity promotion, research, and information program) equal to not less than the amount of the grant.

“(2) IN-KIND SUPPORT.—Non-Federal matching funds described in paragraph (1) may include in-kind support.

“(3) WAIVER.—The Secretary may waive the matching funds requirement under paragraph (1) with respect to a research project if the Secretary determines that—

“(A) the results of the project are of a particular benefit to a specific agricultural commodity, but those results are likely to be applicable to agricultural commodities generally; or

“(B)(i) the project—

“(I) involves a minor commodity; and

“(II) deals with scientifically important research; and

“(ii) the recipient is unable to satisfy the matching funds requirement.”.

(3) AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION REFORM ACT OF 1998.—

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(A) INTEGRATED RESEARCH, EDUCATION, AND EXTENSION COMPETITIVE GRANTS PROGRAM.—Section 406 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7626) is amended—

(i) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and

(ii) by inserting after subsection (c) the following:

“(d) MATCHING FUNDS REQUIREMENT.—

“(1) IN GENERAL.—Subject to paragraph (3), with respect to a grant under this section that provides a particular benefit to a specific agricultural commodity, the recipient of the grant shall provide non-Federal matching funds (including funds from an agricultural commodity promotion, research, and information program) equal to not less than the amount of the grant.

“(2) IN-KIND SUPPORT.—Non-Federal matching funds described in paragraph (1) may include in-kind support.

“(3) WAIVER.—The Secretary may waive the matching funds requirement under paragraph (1) with respect to a grant if the Secretary determines that—

“(A) the results of the grant are of a particular benefit to a specific agricultural commodity, but those results are likely to be applicable to agricultural commodities generally; or

“(B)(i) the grant—

“(I) involves a minor commodity; and

“(II) deals with scientifically important research;

and

“(ii) the recipient is unable to satisfy the matching funds requirement.”.

(B) SPECIALTY CROP RESEARCH INITIATIVE.—Section 412(g) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7632(g)) is amended—

(i) by redesignating paragraph (3) as paragraph (4); and

(ii) by inserting after paragraph (2) the following:

“(3) MATCHING REQUIREMENT.—

“(A) IN GENERAL.—An entity receiving a grant under this section shall provide non-Federal matching funds (including funds from an agricultural commodity promotion, research, and information program) equal to not less than the amount of the grant.

“(B) IN-KIND SUPPORT.—Non-Federal matching funds described in subparagraph (A) may include in-kind support.”.

(4) OTHER LAWS.—

(A) SUN GRANT PROGRAM.—Section 7526(c)(1)(C)(iv) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8114(c)(1)(C)(iv)) is amended by striking subclause (IV).

(B) AGRICULTURE AND FOOD RESEARCH INITIATIVE.—Subsection (b)(9) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 3157(b)(9)) is amended—

(i) in subparagraph (A), by striking clause (iii);

(ii) in subparagraph (B)—

(I) in clause (i), by striking “clauses (ii) and (iii),” and inserting “clause (ii),”; and

(II) by striking clause (iii); and

(iii) by adding at the end the following:

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“(C) APPLIED RESEARCH.—An entity receiving a grant under paragraph (5)(B) for applied research that is commodity-specific and not of national scope shall provide non-Federal matching funds equal to not less than the amount of the grant.”

(c) APPLICATION OF AMENDMENTS.—

7 USC 3151 note.

(1) AWARDS MADE AFTER DATE OF ENACTMENT.—The amendments made by subsections (a) and (b) shall apply with respect to grants, cooperative agreements, or other awards described in subsection (b) that are made after the date of the enactment of this Act.

(2) AWARDS MADE ON OR BEFORE DATE OF ENACTMENT.—Notwithstanding the amendments made by subsections (a) and (b), a matching funds requirement in effect on the day before the date of enactment of this Act under a provision of law amended by subsection (a) or (b) shall continue to apply to a grant, cooperative agreement, or other award described in subsection (b) that is made on or before the date of the enactment of this Act.

## TITLE VIII—FORESTRY

### Subtitle A—Cooperative Forestry Assistance Act of 1978

#### SEC. 8101. SUPPORT FOR STATE ASSESSMENTS AND STRATEGIES FOR FOREST RESOURCES.

Section 2A(f)(1) of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101a(f)(1)) is amended by striking “2018” and inserting “2023”.

#### SEC. 8102. STATE AND PRIVATE FOREST LANDSCAPE-SCALE RESTORATION PROGRAM.

(a) IN GENERAL.—Section 13A of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2109a) is amended to read as follows:

##### “SEC. 13A. STATE AND PRIVATE FOREST LANDSCAPE-SCALE RESTORATION PROGRAM.

“(a) PURPOSE.—The purpose of this section is to encourage collaborative, science-based restoration of priority forest landscapes.

“(b) DEFINITIONS.—In this section:

“(1) INDIAN TRIBE.—The term ‘Indian tribe’ has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).

“(2) NONINDUSTRIAL PRIVATE FOREST LAND.—The term ‘non-industrial private forest land’ means land that—

“(A) is rural, as determined by the Secretary;

“(B) has existing tree cover or is suitable for growing trees; and

“(C) is owned by any private individual, group, association, corporation, Indian tribe, or other private legal entity.

“(3) STATE FOREST LAND.—The term ‘State forest land’ means land that—

“(A) is rural, as determined by the Secretary; and

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“(B) is under State or local governmental ownership and considered to be non-Federal forest land.

“(c) ESTABLISHMENT.—The Secretary, in consultation with State foresters or appropriate State agencies, shall establish a competitive grant program to provide financial and technical assistance to encourage collaborative, science-based restoration of priority forest landscapes.

“(d) ELIGIBILITY.—To be eligible to receive a grant under this section, an applicant shall submit to the Secretary, through the State forester or appropriate State agency, a State and private forest landscape-scale restoration proposal based on a restoration strategy that—

“(1) is complete or substantially complete;

“(2) is for a multiyear period;

“(3) covers nonindustrial private forest land or State forest land;

“(4) is accessible by wood-processing infrastructure; and

“(5) is based on the best available science.

“(e) PLAN CRITERIA.—A State and private forest landscape-scale restoration proposal submitted under this section shall include plans—

“(1) to reduce the risk of uncharacteristic wildfires;

“(2) to improve fish and wildlife habitats, including the habitats of threatened and endangered species;

“(3) to maintain or improve water quality and watershed function;

“(4) to mitigate invasive species, insect infestation, and disease;

“(5) to improve important forest ecosystems;

“(6) to measure ecological and economic benefits, including air quality and soil quality and productivity; and

“(7) to take other relevant actions, as determined by the Secretary.

“(f) PRIORITIES.—In making grants under this section, the Secretary shall give priority to plans that—

“(1) further a statewide forest assessment and resource strategy;

“(2) promote cross boundary landscape collaboration; and

“(3) leverage public and private resources.

“(g) COLLABORATION AND CONSULTATION.—The Chief of the Forest Service, the Chief of the Natural Resources Conservation Service, and relevant stakeholders shall collaborate and consult on an ongoing basis regarding—

“(1) administration of the program established under this section; and

“(2) identification of other applicable resources for landscape-scale restoration.

“(h) MATCHING FUNDS REQUIRED.—As a condition of receiving a grant under this section, the Secretary shall require the recipient of the grant to provide funds or in-kind support from non-Federal sources in an amount that is at least equal to the amount of Federal funds.

“(i) COORDINATION AND PROXIMITY ENCOURAGED.—In making grants under this section, the Secretary may consider coordination with and proximity to other landscape-scale projects on other land under the jurisdiction of the Secretary, the Secretary of the Interior, or a Governor of a State, including under—

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“(1) the Collaborative Forest Landscape Restoration Program established under section 4003 of the Omnibus Public Land Management Act of 2009 (16 U.S.C. 7303);

“(2) landscape areas designated for insect and disease treatments under section 602 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6591a);

“(3) good neighbor authority under section 19;

“(4) stewardship end result contracting projects authorized under section 604 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6591c);

“(5) appropriate State-level programs; and

“(6) other relevant programs, as determined by the Secretary.

“(j) REGULATIONS.—The Secretary shall promulgate such regulations as the Secretary determines necessary to carry out this section.

“(k) REPORT.—Not later than 3 years after the date of enactment of this section, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on—

“(1) the status of development, execution, and administration of selected projects;

“(2) the accounting of program funding expenditures; and

“(3) specific accomplishments that have resulted from landscape-scale projects.

“(l) FUND.—

“(1) IN GENERAL.—There is established in the Treasury a fund, to be known as the ‘State and Private Forest Landscape-Scale Restoration Fund’ (referred to in this subsection as the ‘Fund’), to be used by the Secretary to make grants under this section.

“(2) CONTENTS.—The Fund shall consist of such amounts as are appropriated to the Fund under paragraph (3).

“(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Fund \$20,000,000 for each fiscal year beginning with the first full fiscal year after the date of enactment of this subsection through fiscal year 2023, to remain available until expended.”.

(b) CONFORMING AMENDMENTS.—

(1) Section 13B of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2109b) is repealed.

(2) Section 19(a)(4)(C) of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2113(a)(4)(C)) is amended by striking “sections 13A and 13B” and inserting “section 13A”.

## **Subtitle B—Forest and Rangeland Renewable Resources Research Act of 1978**

### **SEC. 8201. REPEAL OF RECYCLING RESEARCH.**

Section 9 of the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1648) is repealed.

### **SEC. 8202. REPEAL OF FORESTRY STUDENT GRANT PROGRAM.**

Section 10 of the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1649) is repealed.

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## **Subtitle C—Global Climate Change Prevention Act of 1990**

### **SEC. 8301. REPEALS RELATING TO BIOMASS.**

(a) BIOMASS ENERGY DEMONSTRATION PROJECTS.—Section 2410 of the Global Climate Change Prevention Act of 1990 (7 U.S.C. 6708) is repealed.

(b) INTERAGENCY COOPERATION TO MAXIMIZE BIOMASS GROWTH.—Section 2411 of the Global Climate Change Prevention Act of 1990 (7 U.S.C. 6709) is amended in the matter preceding paragraph (1) by striking “to—” and all that follows through “such forests and lands” in paragraph (2) and inserting “to develop a program to manage forests and land on Department of Defense military installations”.

## **Subtitle D—Healthy Forests Restoration Act of 2003**

### **SEC. 8401. PROMOTING CROSS-BOUNDARY WILDFIRE MITIGATION.**

Section 103 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6513) is amended by adding at the end the following:

“(e) CROSS-BOUNDARY HAZARDOUS FUEL REDUCTION PROJECTS.—

“(1) DEFINITIONS.—In this subsection:

“(A) HAZARDOUS FUEL REDUCTION PROJECT.—The term ‘hazardous fuel reduction project’ means a hazardous fuel reduction project described in paragraph (2).

“(B) NON-FEDERAL LAND.—The term ‘non-Federal land’ includes—

“(i) State land;

“(ii) county land;

“(iii) Tribal land;

“(iv) private land; and

“(v) other non-Federal land.

“(2) GRANTS.—The Secretary may make grants to State foresters to support hazardous fuel reduction projects that incorporate treatments in landscapes across ownership boundaries on Federal and non-Federal land, particularly in areas identified as priorities in applicable State-wide forest resource assessments or strategies under section 2A(a) of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101a(a)), as mutually agreed to by the State forester and the Regional Forester.

“(3) LAND TREATMENTS.—To conduct and fund treatments for hazardous fuel reduction projects carried out by State foresters using grants under paragraph (2), the Secretary may use the authorities of the Secretary relating to cooperation and technical and financial assistance, including the good neighbor authority under—

“(A) section 8206 of the Agricultural Act of 2014 (16 U.S.C. 2113a); and

“(B) section 331 of the Department of the Interior and Related Agencies Appropriations Act, 2001 (16 U.S.C. 1011 note; Public Law 106–291).



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“(4) COOPERATION.—In carrying out a hazardous fuel reduction project using a grant under paragraph (2) on non-Federal land, the State forester, in consultation with the Secretary—

“(A) shall consult with any applicable owners of the non-Federal land; and

“(B) shall not implement the hazardous fuel reduction project on non-Federal land without the consent of the owner of the non-Federal land.

“(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection \$20,000,000 for each of fiscal years 2019 through 2023.”.

**SEC. 8402. AUTHORIZATION OF APPROPRIATIONS FOR HAZARDOUS FUEL REDUCTION ON FEDERAL LAND.**

Section 108 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6518) is amended by striking “\$760,000,000 for each fiscal year” and inserting “\$660,000,000 for each of fiscal years 2019 through 2023”.

**SEC. 8403. REPEAL OF BIOMASS COMMERCIAL UTILIZATION GRANT PROGRAM.**

(a) IN GENERAL.—Section 203 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6531) is repealed.

(b) CONFORMING AMENDMENT.—The table of contents for the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6501 note; Public Law 108–148) is amended by striking the item relating to section 203.

**SEC. 8404. WATER SOURCE PROTECTION PROGRAM.**

(a) IN GENERAL.—Title III of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6541 et seq.) is amended by adding at the end the following:

**“SEC. 303. WATER SOURCE PROTECTION PROGRAM.**

16 USC 6542.

“(a) DEFINITIONS.—In this section:

“(1) END WATER USER.—The term ‘end water user’ means a non-Federal entity, including—

“(A) a State;

“(B) a political subdivision of a State;

“(C) an Indian tribe;

“(D) a utility;

“(E) a municipal water system;

“(F) an irrigation district;

“(G) a nonprofit organization; and

“(H) a corporation.

“(2) FOREST MANAGEMENT ACTIVITY.—The term ‘forest management activity’ means a project carried out by the Secretary on National Forest System land.

“(3) FOREST PLAN.—The term ‘forest plan’ means a land management plan prepared by the Forest Service for a unit of the National Forest System pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604).

“(4) NON-FEDERAL PARTNER.—The term ‘non-Federal partner’ means an end water user with whom the Secretary has entered into a partnership agreement under subsection (c)(1).

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“(5) PROGRAM.—The term ‘Program’ means the Water Source Protection Program established under subsection (b).

“(6) SECRETARY.—The term ‘Secretary’ means the Secretary of Agriculture, acting through the Chief of the Forest Service.

“(7) WATER SOURCE MANAGEMENT PLAN.—The term ‘water source management plan’ means the water source management plan developed under subsection (d)(1).

“(b) ESTABLISHMENT.—The Secretary shall establish and maintain a program, to be known as the ‘Water Source Protection Program’, to carry out watershed protection and restoration projects on National Forest System land.

“(c) WATER SOURCE INVESTMENT PARTNERSHIPS.—

“(1) IN GENERAL.—In carrying out the Program, the Secretary may enter into water source investment partnership agreements with end water users to protect and restore the condition of National Forest watersheds that provide water to the end water users.

“(2) FORM.—A partnership agreement described in paragraph (1) may take the form of—

“(A) a memorandum of understanding;

“(B) a cost-share or collection agreement;

“(C) a long-term funding matching commitment; or

“(D) another appropriate instrument, as determined

by the Secretary.

“(d) WATER SOURCE MANAGEMENT PLAN.—

“(1) IN GENERAL.—In carrying out the Program, the Secretary, in cooperation with the non-Federal partners and applicable State, local, and Tribal governments, may develop a water source management plan that describes the proposed implementation of watershed protection and restoration projects under the Program.

“(2) REQUIREMENT.—A water source management plan shall be conducted in a manner consistent with the forest plan applicable to the National Forest System land on which the watershed protection and restoration project is carried out.

“(3) ENVIRONMENTAL ANALYSIS.—The Secretary may conduct a single environmental impact statement or similar analysis required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.)—

“(A) for each watershed protection and restoration project included in the water source management plan; or

“(B) as part of the development of, or after the finalization of, the water source management plan.

“(e) FOREST MANAGEMENT ACTIVITIES.—

“(1) IN GENERAL.—To the extent that forest management activities are necessary to protect, maintain, or enhance water quality, and in accordance with paragraph (2), the Secretary shall carry out forest management activities as part of watershed protection and restoration projects carried out on National Forest System land, with the primary purpose of—

“(A) protecting a municipal water supply system;

“(B) restoring forest health from insect infestations and disease; or

“(C) any combination of the purposes described in subparagraphs (A) and (B).

“(2) COMPLIANCE.—The Secretary shall carry out forest management activities under paragraph (1) in accordance with—

“(A) this Act;

“(B) the applicable water source management plan;

“(C) the applicable forest plan; and

“(D) other applicable laws.

“(f) ENDANGERED SPECIES ACT OF 1973.—In carrying out the Program, the Secretary may use the Manual on Adaptive Management of the Department of the Interior, including any associated guidance, to comply with the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.).

“(g) FUNDS AND SERVICES.—

“(1) IN GENERAL.—In carrying out the Program, the Secretary may accept and use funding, services, and other forms of investment and assistance from non-Federal partners to implement the water source management plan.

“(2) MATCHING FUNDS REQUIRED.—The Secretary shall require the contribution of funds or in-kind support from non-Federal partners to be in an amount that is at least equal to the amount of Federal funds.

“(3) MANNER OF USE.—The Secretary may accept and use investments described in paragraph (1) directly or indirectly through the National Forest Foundation.

“(4) WATER SOURCE PROTECTION FUND.—

“(A) IN GENERAL.—Subject to the availability of appropriations, the Secretary may establish a Water Source Protection Fund to match funds or in-kind support contributed by non-Federal partners under paragraph (1).

“(B) USE OF APPROPRIATED FUNDS.—There is authorized to be appropriated to carry out this section \$10,000,000 for each of fiscal years 2019 through 2023.

“(C) PARTNERSHIP AGREEMENTS.—The Secretary may make multiyear commitments, if necessary, to implement 1 or more partnership agreements under subsection (c).”.

(b) CONFORMING AMENDMENT.—The table of contents for the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6501 note; Public Law 108–148) is amended by striking the item relating to section 303 and inserting the following:

“Sec. 303. Water Source Protection Program.”.

**SEC. 8405. WATERSHED CONDITION FRAMEWORK.**

(a) IN GENERAL.—Title III of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6541 et seq.) (as amended by section 8404(a)) is amended by adding at the end the following:

**“SEC. 304. WATERSHED CONDITION FRAMEWORK.**

16 USC 6543.

“(a) IN GENERAL.—The Secretary of Agriculture, acting through the Chief of the Forest Service (referred to in this section as the ‘Secretary’), may establish and maintain a Watershed Condition Framework for National Forest System land—

“(1) to evaluate and classify the condition of watersheds, taking into consideration—

“(A) water quality and quantity;

“(B) aquatic habitat and biota;

“(C) riparian and wetland vegetation;

“(D) the presence of roads and trails;

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“(E) soil type and condition;

“(F) groundwater-dependent ecosystems;

“(G) relevant terrestrial indicators, such as fire regime, risk of catastrophic fire, forest and rangeland vegetation, invasive species, and insects and disease; and

“(H) other significant factors, as determined by the Secretary;

“(2) to identify for protection and restoration up to 5 priority watersheds in each National Forest, and up to 2 priority watersheds in each national grassland, taking into consideration the impact of the condition of the watershed condition on—

“(A) wildfire behavior;

“(B) flood risk;

“(C) fish and wildlife;

“(D) drinking water supplies;

“(E) irrigation water supplies;

“(F) forest-dependent communities; and

“(G) other significant impacts, as determined by the Secretary;

“(3) to develop a watershed protection and restoration action plan for each priority watershed that—

“(A) takes into account existing restoration activities being implemented in the watershed; and

“(B) includes, at a minimum—

“(i) the major stressors responsible for the impaired condition of the watershed;

“(ii) a set of essential projects that, once completed, will address the identified stressors and improve watershed conditions;

“(iii) a proposed implementation schedule;

“(iv) potential partners and funding sources; and

“(v) a monitoring and evaluation program;

“(4) to prioritize protection and restoration activities for each watershed restoration action plan;

“(5) to implement each watershed protection and restoration action plan; and

“(6) to monitor the effectiveness of protection and restoration actions and indicators of watershed health.

“(b) COORDINATION.—In carrying out subsection (a), the Secretary shall—

“(1) coordinate with interested non-Federal landowners and State, Tribal, and local governments within the relevant watershed; and

“(2) provide for an active and ongoing public engagement process.

“(c) EMERGENCY DESIGNATION.—Notwithstanding paragraph (2) of subsection (a), the Secretary may identify a watershed as a priority for rehabilitation in the Watershed Condition Framework without using the process described in that subsection if a Forest Supervisor determines that—

“(1) a wildfire has significantly diminished the condition of the watershed; and

“(2) the emergency stabilization activities of the Burned Area Emergency Response Team are insufficient to return the watershed to proper function.”.

(b) CONFORMING AMENDMENT.—The table of contents for the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6501 note;

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Public Law 108–148) (as amended by section 8404(b)) is amended by inserting after the item relating to section 303 the following:

“Sec. 304. Watershed Condition Framework.”

**SEC. 8406. AUTHORIZATION OF APPROPRIATIONS TO COMBAT INSECT INFESTATIONS AND RELATED DISEASES.**

(a) IN GENERAL.—Section 406 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6556) is amended to read as follows:

**“SEC. 406. TERMINATION OF EFFECTIVENESS.**

“The authority provided by this title terminates effective October 1, 2023.”

(b) CONFORMING AMENDMENT.—The table of contents for the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6501 note; Public Law 108–148) is amended by striking the item relating to section 406 and inserting the following:

“Sec. 406. Termination of effectiveness.”

**SEC. 8407. HEALTHY FORESTS RESTORATION ACT OF 2003 AMENDMENTS.**

(a) HEALTHY FORESTS RESERVE PROGRAM.—

(1) ADDITIONAL PURPOSE OF PROGRAM.—Section 501(a) of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6571(a)) is amended—

(A) by striking “and” at the end of paragraph (2);

(B) by redesignating paragraph (3) as paragraph (4);

and

(C) by inserting after paragraph (2) the following new paragraph:

“(3) to conserve forest land that provides habitat for species described in section 502(b); and”

(2) ELIGIBILITY FOR ENROLLMENT.—Subsection (b) of section 502 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6572) is amended to read as follows:

“(b) ELIGIBILITY.—To be eligible for enrollment in the healthy forests reserve program, land shall be private forest land, or private land being restored to forest land, the enrollment of which will maintain, restore, enhance, or otherwise measurably—

“(1) increase the likelihood of recovery of a species that is listed as endangered or threatened under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533); or

“(2) improve the well-being of a species that—

“(A) is—

“(i) not listed as endangered or threatened under such section; and

“(ii) a candidate for such listing, a State-listed species, or a special concern species; or

“(B) is deemed a species of greatest conservation need by a State wildlife action plan.”

(3) OTHER ENROLLMENT CONSIDERATIONS.—Section 502(c) of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6572(c)) is amended—

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

(B) by redesignating paragraph (2) as paragraph (3);

and

(C) by inserting after paragraph (1) the following new paragraph:

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“(2) conserve forest land that provides habitat for species described in subsection (b); and”.

(4) ELIMINATION OF LIMITATION ON USE OF EASEMENTS.—Section 502(e) of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6572(e)) is amended by striking paragraph (2) and redesignating paragraph (3) as paragraph (2).

(5) ENROLLMENT OF ACREAGE OWNED BY AN INDIAN TRIBE.—Paragraph (2) of section 502(e) of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6572(e)) (as redesignated by paragraph (4)) is amended, in subparagraph (B), by striking clauses (ii) and (iii) and inserting the following new clauses:

“(ii) a 10-year cost-share agreement;

“(iii) a permanent easement; or

“(iv) any combination of the options described in clauses (i) through (iii).”.

(6) ENROLLMENT PRIORITY.—Section 502(f)(1)(B) of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6572(f)(1)(B)) is amended by striking clause (ii) and inserting the following:

“(ii)(I) are candidates for such listing, State-listed species, or special concern species; or

“(II) are deemed a species of greatest conservation need under a State wildlife action plan.”.

(7) RESTORATION PLANS.—Subsection (b) of section 503 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6573) is amended to read as follows:

“(b) PRACTICES.—The restoration plan shall require such restoration practices and measures as are necessary to restore and enhance habitat for species described in section 502(b), including the following:

“(1) Land management practices.

“(2) Vegetative treatments.

“(3) Structural practices and measures.

“(4) Practices to increase carbon sequestration.

“(5) Practices to improve biological diversity.

“(6) Other practices and measures.”.

(8) FUNDING.—Section 508(b) of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6578(b)) is amended—

(A) in the subsection heading, by striking “FISCAL YEARS 2014 THROUGH 2018” and inserting “AUTHORIZATION OF APPROPRIATIONS”; and

(B) by striking “2018” and inserting “2023”.

(9) TECHNICAL CORRECTION.—Section 503(a) of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6573(a)) is amended by striking “Secretary of Interior” and inserting “Secretary of the Interior”.

(b) INSECT AND DISEASE INFESTATION.—

(1) TREATMENT OF AREAS.—Section 602(d)(1) of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6591a(d)(1)) is amended by striking “subsection (b) to reduce the risk or extent of, or increase the resilience to, insect or disease infestation in the areas.” and inserting the following: “subsection (b)—

“(A) to reduce the risk or extent of, or increase the resilience to, insect or disease infestation; or

“(B) to reduce hazardous fuels.”.



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(2) **EXTENSION OF AUTHORITY.**—Section 602(d)(2) of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6591a(d)(2)) is amended by striking “2018” and inserting “2023”.

**SEC. 8408. AUTHORIZATION OF APPROPRIATIONS FOR DESIGNATION OF TREATMENT AREAS.**

Section 602 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6591a) is amended by striking subsection (f).

## **Subtitle E—Repeal or Reauthorization of Miscellaneous Forestry Programs**

**SEC. 8501. REPEAL OF REVISION OF STRATEGIC PLAN FOR FOREST INVENTORY AND ANALYSIS.**

Section 8301 of the Agricultural Act of 2014 (16 U.S.C. 1642 note; Public Law 113–79) is repealed.

**SEC. 8502. SEMIARID AGROFORESTRY RESEARCH CENTER.**

Section 1243(d) of the Food, Agriculture, Conservation, and Trade Act of 1990 (16 U.S.C. 1642 note; Public Law 101–624) is amended by striking “annually” and inserting “for each of fiscal years 2019 through 2023”.

**SEC. 8503. NATIONAL FOREST FOUNDATION ACT.**

(a) **MATCHING FUNDS.**—Section 405(b) of the National Forest Foundation Act (16 U.S.C. 583j–3(b)) is amended by striking “2018” and inserting “2023”.

(b) **AUTHORIZATION OF APPROPRIATIONS.**—Section 410(b) of the National Forest Foundation Act (16 U.S.C. 583j–8(b)) is amended by striking “2018” and inserting “2023”.

**SEC. 8504. CONVEYANCE OF FOREST SERVICE ADMINISTRATIVE SITES.**

Section 503(f) of the Forest Service Facility Realignment and Enhancement Act of 2005 (16 U.S.C. 580d note; Public Law 109–54) is amended by striking “2016” and inserting “2023”.

## **Subtitle F—Forest Management**

**SEC. 8601. DEFINITION OF NATIONAL FOREST SYSTEM.**

In this subtitle, the term “National Forest System” has the meaning given the term in section 11(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1609(a)).

16 USC 580d  
note.

### **PART I—EXPEDITED ENVIRONMENTAL ANALYSIS AND AVAILABILITY OF CATEGORICAL EXCLUSIONS TO EXPEDITE FOREST MANAGEMENT ACTIVITIES**

**SEC. 8611. CATEGORICAL EXCLUSION FOR GREATER SAGE-GROUSE AND MULE DEER HABITAT.**

(a) **IN GENERAL.**—Title VI of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6591 et seq.) is amended by adding at the end the following:

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16 USC 6591e.

**“SEC. 606. CATEGORICAL EXCLUSION FOR GREATER SAGE-GROUSE AND MULE DEER HABITAT.****“(a) DEFINITIONS.—**In this section:**“(1) COVERED VEGETATION MANAGEMENT ACTIVITY.—****“(A) IN GENERAL.—**The term ‘covered vegetation management activity’ means any activity described in subparagraph (B) that—**“(i)(I)** is carried out on National Forest System land administered by the Forest Service; or**“(II)** is carried out on public land administered by the Bureau of Land Management;**“(ii)** with respect to public land, meets the objectives of the order of the Secretary of the Interior numbered 3336 and dated January 5, 2015;**“(iii)** conforms to an applicable forest plan or land use plan;**“(iv)** protects, restores, or improves greater sage-grouse or mule deer habitat in a sagebrush steppe ecosystem as described in—**“(I)** Circular 1416 of the United States Geological Survey entitled ‘Restoration Handbook for Sagebrush Steppe Ecosystems with Emphasis on Greater Sage-Grouse Habitat—Part 1. Concepts for Understanding and Applying Restoration’ (2015); or**“(II)** the habitat guidelines for mule deer published by the Mule Deer Working Group of the Western Association of Fish and Wildlife Agencies;**“(v)** will not permanently impair—**“(I)** the natural state of the treated area;**“(II)** outstanding opportunities for solitude;**“(III)** outstanding opportunities for primitive, unconfined recreation;**“(IV)** economic opportunities consistent with multiple-use management; or**“(V)** the identified values of a unit of the National Landscape Conservation System;**“(vi)(I)** restores native vegetation following a natural disturbance;**“(II)** prevents the expansion into greater sage-grouse or mule deer habitat of—**“(aa)** juniper, pinyon pine, or other associated conifers; or**“(bb)** nonnative or invasive vegetation;**“(III)** reduces the risk of loss of greater sage-grouse or mule deer habitat from wildfire or any other natural disturbance; or**“(IV)** provides emergency stabilization of soil resources after a natural disturbance; and**“(vii)** provides for the conduct of restoration treatments that—**“(I)** maximize the retention of old-growth and large trees, as appropriate for the forest type;**“(II)** consider the best available scientific information to maintain or restore the ecological integrity, including maintaining or restoring structure, function, composition, and connectivity;

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“(III) are developed and implemented through a collaborative process that—

“(aa) includes multiple interested persons representing diverse interests; and

“(bb)(AA) is transparent and nonexclusive;

or

“(BB) meets the requirements for a resource advisory committee under subsections (c) through (f) of section 205 of the Secure Rural Schools and Community Self-Determination Act of 2000 (16 U.S.C. 7125); and

“(IV) may include the implementation of a proposal that complies with the eligibility requirements of the Collaborative Forest Landscape Restoration Program under section 4003(b) of the Omnibus Public Land Management Act of 2009 (16 U.S.C. 7303(b)).

“(B) DESCRIPTION OF ACTIVITIES.—An activity referred to in subparagraph (A) is—

“(i) manual cutting and removal of juniper trees, pinyon pine trees, other associated conifers, or other nonnative or invasive vegetation;

“(ii) mechanical mastication, cutting, or mowing, mechanical piling and burning, chaining, broadcast burning, or yarding;

“(iii) removal of cheat grass, medusa head rye, or other nonnative, invasive vegetation;

“(iv) collection and seeding or planting of native vegetation using a manual, mechanical, or aerial method;

“(v) seeding of nonnative, noninvasive, ruderal vegetation only for the purpose of emergency stabilization;

“(vi) targeted use of an herbicide, subject to the condition that the use shall be in accordance with applicable legal requirements, Federal agency procedures, and land use plans;

“(vii) targeted livestock grazing to mitigate hazardous fuels and control noxious and invasive weeds;

“(viii) temporary removal of wild horses or burros in the area in which the activity is being carried out to ensure treatment objectives are met;

“(ix) in coordination with the affected permit holder, modification or adjustment of permissible usage under an annual plan of use of a grazing permit issued by the Secretary concerned to achieve restoration treatment objectives;

“(x) installation of new, or modification of existing, fencing or water sources intended to control use or improve wildlife habitat; or

“(xi) necessary maintenance of, repairs to, rehabilitation of, or reconstruction of an existing permanent road or construction of temporary roads to accomplish the activities described in this subparagraph.

“(C) EXCLUSIONS.—The term ‘covered vegetation management activity’ does not include—

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“(i) any activity conducted in a wilderness area or wilderness study area;

“(ii) any activity for the construction of a permanent road or permanent trail;

“(iii) any activity conducted on Federal land on which, by Act of Congress or Presidential proclamation, the removal of vegetation is restricted or prohibited;

“(iv) any activity conducted in an area in which activities under subparagraph (B) would be inconsistent with the applicable land and resource management plan; or

“(v) any activity conducted in an inventoried roadless area.

“(2) SECRETARY CONCERNED.—The term ‘Secretary concerned’ means—

“(A) the Secretary of Agriculture, with respect to National Forest System land; and

“(B) the Secretary of the Interior, with respect to public land.

“(3) TEMPORARY ROAD.—The term ‘temporary road’ means a road that is—

“(A) authorized—

“(i) by a contract, permit, lease, other written authorization; or

“(ii) pursuant to an emergency operation;

“(B) not intended to be part of the permanent transportation system of a Federal department or agency;

“(C) not necessary for long-term resource management;

“(D) designed in accordance with standards appropriate for the intended use of the road, taking into consideration—

“(i) safety;

“(ii) the cost of transportation; and

“(iii) impacts to land and resources; and

“(E) managed to minimize—

“(i) erosion; and

“(ii) the introduction or spread of invasive species.

“(b) CATEGORICAL EXCLUSION.—

“(1) IN GENERAL.—Not later than 1 year after the date of enactment of this section, the Secretary concerned shall develop a categorical exclusion (as defined in section 1508.4 of title 40, Code of Federal Regulations (or a successor regulation)) for covered vegetation management activities carried out to protect, restore, or improve habitat for greater sage-grouse or mule deer.

“(2) ADMINISTRATION.—In developing and administering the categorical exclusion under paragraph (1), the Secretary concerned shall—

“(A) comply with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

“(B) with respect to National Forest System land, apply the extraordinary circumstances procedures under section 220.6 of title 36, Code of Federal Regulations (or successor regulations), in determining whether to use the categorical exclusion;

“(C) with respect to public land, apply the extraordinary circumstances procedures under section 46.215 of

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title 43, Code of Federal Regulations (or successor regulations), in determining whether to use the categorical exclusion; and

“(D) consider—

“(i) the relative efficacy of landscape-scale habitat projects;

“(ii) the likelihood of continued declines in the populations of greater sage-grouse and mule deer in the absence of landscape-scale vegetation management; and

“(iii) the need for habitat restoration activities after wildfire or other natural disturbances.

“(c) IMPLEMENTATION OF COVERED VEGETATIVE MANAGEMENT ACTIVITIES WITHIN THE RANGE OF GREATER SAGE-GROUSE AND MULE DEER.—If the categorical exclusion developed under subsection (b) is used to implement a covered vegetative management activity in an area within the range of both greater sage-grouse and mule deer, the covered vegetative management activity shall protect, restore, or improve habitat concurrently for both greater sage-grouse and mule deer.

“(d) LONG-TERM MONITORING AND MAINTENANCE.—Before commencing any covered vegetation management activity that is covered by the categorical exclusion under subsection (b), the Secretary concerned shall develop a long-term monitoring and maintenance plan, covering at least the 20-year period beginning on the date of commencement, to ensure that management of the treated area does not degrade the habitat gains secured by the covered vegetation management activity.

“(e) DISPOSAL OF VEGETATIVE MATERIAL.—Subject to applicable local restrictions, any vegetative material resulting from a covered vegetation management activity that is covered by the categorical exclusion under subsection (b) may be—

“(1) used for—

“(A) fuel wood; or

“(B) other products; or

“(2) piled or burned, or both.

“(f) TREATMENT FOR TEMPORARY ROADS.—

“(1) IN GENERAL.—Notwithstanding subsection (a)(1)(B)(xi), any temporary road constructed in carrying out a covered vegetation management activity that is covered by the categorical exclusion under subsection (b)—

“(A) shall be used by the Secretary concerned for the covered vegetation management activity for not more than 2 years; and

“(B) shall be decommissioned by the Secretary concerned not later than 3 years after the earlier of the date on which—

“(i) the temporary road is no longer needed; and

“(ii) the project is completed.

“(2) REQUIREMENT.—A treatment under paragraph (1) shall include reestablishing native vegetative cover—

“(A) as soon as practicable; but

“(B) not later than 10 years after the date of completion of the applicable covered vegetation management activity.

“(g) LIMITATIONS.—

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“(1) PROJECT SIZE.—A covered vegetation management activity that is covered by the categorical exclusion under subsection (b) may not exceed 4,500 acres.

“(2) LOCATION.—A covered vegetation management activity carried out on National Forest System land that is covered by the categorical exclusion under subsection (b) shall be limited to areas designated under section 602(b), as of the date of enactment of this section.”.

(b) CONFORMING AMENDMENTS.—The table of contents for the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6501 note; Public Law 108–148) is amended by adding at the end of the items relating to title VI the following:

“Sec. 602. Designation of treatment areas.

“Sec. 603. Administrative review.

“Sec. 604. Stewardship end result contracting projects.

“Sec. 605. Wildfire resilience projects.

“Sec. 606. Categorical exclusion for greater sage-grouse and mule deer habitat.”.

## **PART II—MISCELLANEOUS FOREST MANAGEMENT ACTIVITIES**

### **SEC. 8621. ADDITIONAL AUTHORITY FOR SALE OR EXCHANGE OF SMALL PARCELS OF NATIONAL FOREST SYSTEM LAND.**

(a) INCREASE IN MAXIMUM VALUE OF SMALL PARCELS.—Section 3 of Public Law 97–465 (commonly known as the “Small Tract Act of 1983”) (16 U.S.C. 521e) is amended in the matter preceding paragraph (1) by striking “\$150,000” and inserting “\$500,000”.

(b) ADDITIONAL CONVEYANCE PURPOSES.—Section 3 of Public Law 97–465 (16 U.S.C. 521e) (as amended by subsection (a)) is amended—

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

(2) in paragraph (3), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

“(4) parcels of 40 acres or less that are determined by the Secretary—

“(A) to be physically isolated from other Federal land;

“(B) to be inaccessible; or

“(C) to have lost National Forest character;

“(5) parcels of 10 acres or less that are not eligible for conveyance under paragraph (2) but are encroached on by a permanent habitable improvement for which there is no evidence that the encroachment was intentional or negligent; or

“(6) parcels used as a cemetery (including a parcel of not more than 1 acre adjacent to the parcel used as a cemetery), a landfill, or a sewage treatment plant under a special use authorization issued or otherwise authorized by the Secretary.”.

(c) DISPOSITION OF PROCEEDS.—Section 2 of Public Law 97–465 (16 U.S.C. 521d) is amended—

(1) in the matter preceding paragraph (1), by striking “The Secretary is authorized” and inserting the following:

“(a) CONVEYANCE AUTHORITY; CONSIDERATION.—The Secretary is authorized”;

(2) in paragraph (2), in the second sentence, by striking “The Secretary shall insert” and inserting the following:



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“(b) INCLUSION OF TERMS, COVENANTS, CONDITIONS, AND RESERVATIONS.—

“(1) IN GENERAL.—The Secretary shall insert”;

(3) in subsection (b) (as so designated)—

(A) by striking “covenants” and inserting “covenants”; and

(B) in the second sentence by striking “The preceding sentence shall not” and inserting the following:

“(2) LIMITATION.—Paragraph (1) shall not”; and

(4) by adding at the end the following:

“(c) DISPOSITION OF PROCEEDS.—

“(1) DEPOSIT IN SISK FUND.—The net proceeds derived from any sale or exchange conducted under paragraph (4), (5), or (6) of section 3 shall be deposited in the fund established under Public Law 90–171 (commonly known as the ‘Sisk Act’) (16 U.S.C. 484a).

“(2) USE.—Amounts deposited under paragraph (1) shall be available to the Secretary until expended for—

(A) the acquisition of land or interests in land for administrative sites for the National Forest System in the State from which the amounts were derived;

(B) the acquisition of land or interests in land for inclusion in the National Forest System in that State, including land or interests in land that enhance opportunities for recreational access; or

(C) the reimbursement of the Secretary for costs incurred in preparing a sale conducted under the authority of section 3 if the sale is a competitive sale.”.

**SEC. 8622. FOREST SERVICE PARTICIPATION IN ACES PROGRAM.**

Section 8302 of the Agricultural Act of 2014 (16 U.S.C. 3851a) is amended—

(1) by striking “The Secretary” and inserting the following:

“(a) IN GENERAL.—The Secretary”; and

(2) by adding at the end the following:

“(b) TERMINATION OF EFFECTIVENESS.—The authority provided to the Secretary to carry out this section terminates effective October 1, 2023.”.

**SEC. 8623. AUTHORIZATION FOR LEASE OF FOREST SERVICE SITES.**

16 USC 580d  
note.

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATIVE SITE.—

(A) IN GENERAL.—The term “administrative site” means—

(i) any facility or improvement, including curtilage, that was acquired or is used specifically for purposes of administration of the National Forest System;

(ii) any Federal land that—

(I) is associated with a facility or improvement described in clause (i) that was acquired or is used specifically for purposes of administration of Forest Service activities; and

(II) underlies or abuts the facility or improvement; and

(iii) for each fiscal year, not more than 10 isolated, undeveloped parcels of not more than 40 acres each.

(B) EXCLUSIONS.—The term “administrative site” does not include—

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(i) any land within a unit of the National Forest System that is exclusively designated for natural area or recreational purposes;

(ii) any land within—

(I) a component of the National Wilderness Preservation System;

(II) a component of the National Wild and Scenic Rivers System; or

(III) a National Monument; or

(iii) any Federal land that the Secretary determines—

(I) is needed for resource management purposes or to provide access to other land or water; or

(II) would be in the public interest not to lease.

(2) FACILITY OR IMPROVEMENT.—The term “facility or improvement” includes—

(A) a forest headquarters;

(B) a ranger station;

(C) a research station or laboratory;

(D) a dwelling;

(E) a warehouse;

(F) a scaling station;

(G) a fire-retardant mixing station;

(H) a fire-lookout station;

(I) a guard station;

(J) a storage facility;

(K) a telecommunication facility; and

(L) any other administrative installation for conducting Forest Service activities.

(3) MARKET ANALYSIS.—The term “market analysis” means the identification and study of the market for a particular economic good or service.

(b) AUTHORIZATION.—The Secretary may lease an administrative site that is under the jurisdiction of the Secretary in accordance with this section.

(c) IDENTIFICATION OF ELIGIBLE SITES.—A regional forester, in consultation with forest supervisors in the region, may submit to the Secretary a recommendation for administrative sites in the region that the regional forester considers eligible for leasing under this section.

(d) CONSULTATION WITH LOCAL GOVERNMENT AND PUBLIC NOTICE.—Before making an administrative site available for lease under this section, the Secretary shall—

(1) consult with government officials of the community and of the State in which the administrative site is located; and

(2) provide public notice of the proposed lease.

(e) LEASE REQUIREMENTS.—

(1) SIZE.—An administrative site or compound of administrative sites under a single lease under this section may not exceed 40 acres.

(2) CONFIGURATION OF ADMINISTRATIVE SITES.—

(A) IN GENERAL.—To facilitate the lease of an administrative site under this section, the Secretary may configure the administrative site—

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(i) to maximize the marketability of the administrative site; and

(ii) to achieve management objectives.

(B) SEPARATE TREATMENT OF FACILITY OR IMPROVEMENT.—A facility or improvement on an administrative site to be leased under this section may be severed from the land and leased under a separate lease under this section.

(3) CONSIDERATION.—

(A) IN GENERAL.—A person to which a lease of an administrative site is made under this section shall provide to the Secretary consideration described in subparagraph (B) in an amount that is not less than the market value of the administrative site, as determined in accordance with subparagraph (C).

(B) FORM OF CONSIDERATION.—The consideration referred to in subparagraph (A) may be—

(i) cash;

(ii) in-kind, including—

(I) the construction of new facilities or improvements, the title to which shall be transferred by the lessee to the Secretary;

(II) the maintenance, repair, improvement, or restoration of existing facilities or improvements; and

(III) other services relating to activities that occur on the administrative site, as determined by the Secretary; or

(iii) any combination of the consideration described in clauses (i) and (ii).

(C) DETERMINATION OF MARKET VALUE.—

(i) IN GENERAL.—The Secretary shall determine the market value of an administrative site to be leased under this section—

(I) by conducting an appraisal in accordance with—

(aa) the Uniform Appraisal Standards for Federal Land Acquisitions established in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.); and

(bb) the Uniform Standards of Professional Appraisal Practice; or

(II) by competitive lease.

(ii) IN-KIND CONSIDERATION.—The Secretary shall determine the market value of any in-kind consideration under subparagraph (B)(ii).

(4) CONDITIONS.—The lease of an administrative site under this section shall be subject to such conditions, including bonding, as the Secretary determines to be appropriate.

(5) RIGHT OF FIRST REFUSAL.—Subject to terms and conditions that the Secretary determines to be necessary, the Secretary shall offer to lease an administrative site to the municipality or county in which the administrative site is located before seeking to lease the administrative site to any other person.

(f) RELATION TO OTHER LAWS.—

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(1) FEDERAL PROPERTY DISPOSAL.—Chapter 5 of title 40, United States Code, shall not apply to the lease of an administrative site under this section.

(2) LEAD-BASED PAINT AND ASBESTOS ABATEMENT.—

(A) IN GENERAL.—Notwithstanding any provision of law relating to the mitigation or abatement of lead-based paint or asbestos-containing building materials, the Secretary shall not be required to mitigate or abate lead-based paint or asbestos-containing building materials with respect to an administrative site to be leased under this section.

(B) PROCEDURES.—With respect to an administrative site to be leased under this section that has lead-based paint or asbestos-containing building materials, the Secretary shall—

(i) provide notice to the person to which the administrative site will be leased of the presence of the lead-based paint or asbestos-containing building material; and

(ii) obtain written assurance from that person that the person will comply with applicable Federal, State, and local laws relating to the management of lead-based paint and asbestos-containing building materials.

(3) ENVIRONMENTAL REVIEW.—The National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall apply to the lease of an administrative site under this section, except that, in any environmental review or analysis required under that Act for the lease of an administrative site under this section, the Secretary shall be required only—

(A) to analyze the most reasonably foreseeable use of the administrative site, as determined through a market analysis;

(B) to determine whether to include any conditions under subsection (e)(4); and

(C) to evaluate the alternative of not leasing the administrative site in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(4) COMPLIANCE WITH LOCAL LAWS.—A person that leases an administrative site under this section shall comply with all applicable State and local zoning laws, building codes, and permit requirements for any construction activities that occur on the administrative site.

(g) PROHIBITION.—No agency of the Federal Government shall make any cash payments to a leaseholder relating to the use or occupancy of any administrative site or facility that has been improved under this section.

(h) CONGRESSIONAL NOTIFICATIONS.—

(1) ANTICIPATED USE OF AUTHORITY.—As part of the annual budget justification documents provided to the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate, the Secretary shall include—

(A) a list of the anticipated leases to be made, including the anticipated revenue that may be obtained, under this section;

(B) a description of the intended use of any revenue obtained under a lease under this section, including a list of any projects that cost more than \$500,000; and

(C) a description of accomplishments during previous years using the authority of the Secretary under this section.

(2) CHANGES TO LEASE LIST.—If the Secretary desires to lease an administrative site under this section that is not included on a list provided under paragraph (1)(A), the Secretary shall submit to the congressional committees described in paragraph (3) a notice of the proposed lease, including the anticipated revenue that may be obtained from the lease.

(3) USE OF AUTHORITY.—Not less frequently than once each year, the Secretary shall submit to the Committee on Agriculture, the Committee on Appropriations, and the Committee on Natural Resources of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry, the Committee on Appropriations, and the Committee on Energy and Natural Resources of the Senate a report describing each lease made by the Secretary under this section during the period covered by the report.

(i) EXPIRATION OF AUTHORITY.—

(1) IN GENERAL.—The authority of the Secretary to make a lease of an administrative site under this section expires on October 1, 2023.

(2) EFFECT ON LEASE AGREEMENT.—Paragraph (1) shall not affect the authority of the Secretary to carry out this section in the case of any lease agreement that was entered into by the Secretary before October 1, 2023.

**SEC. 8624. GOOD NEIGHBOR AUTHORITY.**

(a) INCLUSION OF INDIAN TRIBES.—Section 8206(a) of the Agricultural Act of 2014 (16 U.S.C. 2113a(a)) is amended—

(1) in paragraph (1)(A), by striking “land and non-Federal land” and inserting “land, non-Federal land, and land owned by an Indian tribe”;

(2) in paragraph (5), by inserting “or Indian tribe” after “affected State”;

(3) by redesignating paragraphs (6) through (8) as paragraphs (7) through (9), respectively; and

(4) by inserting after paragraph (5) (as so redesignated) the following:

“(6) INDIAN TRIBE.—The term ‘Indian tribe’ has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).”.

(b) INCLUSION OF COUNTIES.—Section 8206 of the Agricultural Act of 2014 (16 U.S.C. 2113a) is amended—

(1) in subsection (a)—

(A) in paragraph (1)(B), by inserting “or county, as applicable,” after “Governor”;

(B) by redesignating paragraphs (2) through (9) (as amended by subsection (a)) as paragraphs (3) through (10), respectively;

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

“(2) COUNTY.—The term ‘county’ means—

“(A) the appropriate executive official of an affected county; or

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“(B) in any case in which multiple counties are affected, the appropriate executive official of a compact of the affected counties.”; and

(D) in paragraph (5) (as so redesignated), by inserting “or county, as applicable,” after “Governor”; and  
(2) in subsection (b)—

(A) in paragraph (1)(A), by inserting “or county” after “Governor”;

(B) in paragraph (2)(A), by striking “cooperative agreement or contract entered into under subsection (a)” and inserting “good neighbor agreement”;

(C) in paragraph (3), by inserting “or county” after “Governor”; and

(D) by adding at the end the following:

“(4) RECEIPTS.—Notwithstanding any other provision of law, any payment made by a county to the Secretary under a project conducted under a good neighbor agreement shall not be considered to be monies received from National Forest System land or Bureau of Land Management land, as applicable.”.

(c) TREATMENT OF REVENUE FROM TIMBER SALE CONTRACTS.—Section 8206(b)(2) of the Agricultural Act of 2014 (16 U.S.C. 2113a(b)(2)) is amended by adding at the end the following:

“(C) TREATMENT OF REVENUE.—

“(i) IN GENERAL.—Funds received from the sale of timber by a Governor of a State under a good neighbor agreement shall be retained and used by the Governor—

“(I) to carry out authorized restoration services on Federal land under the good neighbor agreement; and

“(II) if there are funds remaining after carrying out subclause (I), to carry out authorized restoration services on Federal land within the State under other good neighbor agreements.

“(ii) TERMINATION OF EFFECTIVENESS.—The authority provided by this subparagraph terminates effective October 1, 2023.”.

**SEC. 8625. CHATTAHOOCHEE-OCONEE NATIONAL FOREST LAND ADJUSTMENT.**

(a) FINDINGS.—Congress finds that—

(1) certain National Forest System land in the State of Georgia consists of isolated tracts that are inefficient to manage or have lost their principal value for National Forest purposes;

(2) the disposal of that National Forest System land would be in the public interest; and

(3) proceeds from the sale of National Forest System land under subsection (b)(1) would be used best by the Forest Service to purchase land for National Forest purposes in the State of Georgia.

(b) LAND CONVEYANCE AUTHORITY.—

(1) IN GENERAL.—Under such terms and conditions as the Secretary may prescribe, the Secretary may sell or exchange any or all rights, title, and interest of the United States in and to the National Forest System land described in paragraph (2)(A).



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## (2) LAND AUTHORIZED FOR DISPOSAL.—

(A) IN GENERAL.—The National Forest System land referred to in paragraph (1) is the 30 tracts of land totaling approximately 3,841 acres that are generally depicted on the 2 maps entitled “Priority Land Adjustments, State of Georgia, U.S. Forest Service—Southern Region, Oconee and Chattahoochee National Forests, U.S. Congressional Districts—8, 9, 10 & 14” and dated September 24, 2013.

(B) MAPS.—The maps described in subparagraph (A) shall be on file and available for public inspection in the Office of the Forest Supervisor, Chattahoochee-Oconee National Forest, until such time as the land is sold or exchanged.

(C) MODIFICATION OF BOUNDARIES.—The Secretary may modify the boundaries of the National Forest System land described in subparagraph (A) based on land management considerations.

## (3) FORM OF CONVEYANCE.—

(A) QUITCLAIM DEED.—The Secretary shall convey National Forest System land sold or exchanged under paragraph (1) by quitclaim deed.

(B) RESERVATIONS.—The Secretary may reserve any rights-of-way or other rights or interests in National Forest System land sold or exchanged under paragraph (1) that the Secretary considers necessary for management purposes or to protect the public interest.

## (4) VALUATION.—

(A) MARKET VALUE.—The Secretary may not sell or exchange National Forest System land under paragraph (1) for less than market value, as determined by appraisal or through competitive bid.

(B) APPRAISAL REQUIREMENTS.—Any appraisal under subparagraph (A) shall be—

- (i) consistent with the Uniform Appraisal Standards for Federal Land Acquisitions or the Uniform Standards of Professional Appraisal Practice; and
- (ii) subject to the approval of the Secretary.

## (5) CONSIDERATION.—

(A) CASH.—Consideration for a sale of National Forest System land or equalization of an exchange under paragraph (1) shall be paid in cash.

(B) EXCHANGE.—Notwithstanding section 206(b) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(b)), the Secretary may accept a cash equalization payment in excess of 25 percent of the value of any National Forest System land exchanged under paragraph (1).

## (6) METHOD OF SALE.—

(A) OPTIONS.—The Secretary may sell National Forest System land under paragraph (1) at public or private sale, including competitive sale by auction, bid, or otherwise, in accordance with such terms, conditions, and procedures as the Secretary determines are in the best interest of the United States.

(B) SOLICITATIONS.—The Secretary may—

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(i) make public or private solicitations for the sale or exchange of National Forest System land under paragraph (1); and

(ii) reject any offer that the Secretary determines is not adequate or not in the public interest.

(7) BROKERS.—The Secretary may—

(A) use brokers or other third parties in the sale or exchange of National Forest System land under paragraph (1); and

(B) from the proceeds of a sale, pay reasonable commissions or fees.

(c) TREATMENT OF PROCEEDS.—

(1) DEPOSIT.—Subject to subsection (b)(7)(B), the Secretary shall deposit the proceeds of a sale or a cash equalization payment received from the sale or exchange of National Forest System land under subsection (b)(1) in the fund established under Public Law 90–171 (commonly known as the “Sisk Act”) (16 U.S.C. 484a).

(2) AVAILABILITY.—Subject to paragraph (3), amounts deposited under paragraph (1) shall be available to the Secretary until expended, without further appropriation, for the acquisition of land for National Forest purposes in the State of Georgia.

(3) PRIVATE PROPERTY PROTECTION.—Nothing in this section authorizes the use of funds deposited under paragraph (1) to be used to acquire land without the written consent of the owner of the land.

**SEC. 8626. TENNESSEE WILDERNESS.**

(a) DEFINITIONS.—In this section:

(1) MAP.—The term “Map” means the map entitled “Proposed Wilderness Areas and Additions-Cherokee National Forest” and dated January 20, 2010.

(2) STATE.—The term “State” means the State of Tennessee.

(b) ADDITIONS TO CHEROKEE NATIONAL FOREST.—

(1) DESIGNATION OF WILDERNESS.—In accordance with the Wilderness Act (16 U.S.C. 1131 et seq.), the following parcels of Federal land in the Cherokee National Forest in the State are designated as wilderness and as additions to the National Wilderness Preservation System:

(A) Certain land comprising approximately 9,038 acres, as generally depicted as the “Upper Bald River Wilderness” on the Map and which shall be known as the “Upper Bald River Wilderness”.

(B) Certain land comprising approximately 348 acres, as generally depicted as the “Big Frog Addition” on the Map and which shall be incorporated in, and shall be considered to be a part of, the Big Frog Wilderness.

(C) Certain land comprising approximately 630 acres, as generally depicted as the “Little Frog Mountain Addition NW” on the Map and which shall be incorporated in, and shall be considered to be a part of, the Little Frog Mountain Wilderness.

(D) Certain land comprising approximately 336 acres, as generally depicted as the “Little Frog Mountain Addition NE” on the Map and which shall be incorporated in, and

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note.

shall be considered to be a part of, the Little Frog Mountain Wilderness.

(E) Certain land comprising approximately 2,922 acres, as generally depicted as the “Sampson Mountain Addition” on the Map and which shall be incorporated in, and shall be considered to be a part of, the Sampson Mountain Wilderness.

(F) Certain land comprising approximately 4,446 acres, as generally depicted as the “Big Laurel Branch Addition” on the Map and which shall be incorporated in, and shall be considered to be a part of, the Big Laurel Branch Wilderness.

(G) Certain land comprising approximately 1,836 acres, as generally depicted as the “Joyce Kilmer-Slickrock Addition” on the Map and which shall be incorporated in, and shall be considered to be a part of, the Joyce Kilmer-Slickrock Wilderness.

(2) MAPS AND LEGAL DESCRIPTIONS.—

(A) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary shall file maps and legal descriptions of the wilderness areas designated by paragraph (1) with the appropriate committees of Congress.

(B) PUBLIC AVAILABILITY.—The maps and legal descriptions filed under subparagraph (A) shall be on file and available for public inspection in the office of the Chief of the Forest Service and the office of the Supervisor of the Cherokee National Forest.

(C) FORCE OF LAW.—The maps and legal descriptions filed under subparagraph (A) shall have the same force and effect as if included in this Act, except that the Secretary may correct typographical errors in the maps and descriptions.

(3) ADMINISTRATION.—

(A) IN GENERAL.—Subject to valid existing rights, the Federal land designated as wilderness by paragraph (1) shall be administered by the Secretary in accordance with the Wilderness Act (16 U.S.C. 1131 et seq.), except that any reference in that Act to the effective date of that Act shall be deemed to be a reference to the date of enactment of this Act.

(B) FISH AND WILDLIFE MANAGEMENT.—In accordance with section 4(d)(7) of the Wilderness Act (16 U.S.C. 1133(d)(7)), nothing in this section affects the jurisdiction of the State with respect to fish and wildlife management, including the regulation of hunting, fishing, and trapping, in the wilderness areas designated by paragraph (1).

**SEC. 8627. KISATCHIE NATIONAL FOREST LAND CONVEYANCE.**

(a) FINDING.—Congress finds that it is in the public interest to authorize the conveyance of certain Federal land in the Kisatchie National Forest in the State of Louisiana for market value consideration.

(b) DEFINITIONS.—In this section:

(1) COLLINS CAMP PROPERTIES.—The term “Collins Camp Properties” means Collins Camp Properties, Inc., a corporation incorporated under the laws of the State.

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(2) STATE.—The term “State” means the State of Louisiana.

(c) AUTHORIZATION OF CONVEYANCES, KISATCHIE NATIONAL FOREST, LOUISIANA.—

(1) AUTHORIZATION.—

(A) IN GENERAL.—Subject to valid existing rights and paragraph (2), the Secretary may convey the Federal land described in subparagraph (B) by quitclaim deed at public or private sale, including competitive sale by auction, bid, or other methods.

(B) DESCRIPTION OF LAND.—The Federal land referred to in subparagraph (A) consists of—

(i) all Federal land within sec. 9, T. 10 N., R. 5 W., Winn Parish, Louisiana; and

(ii) a 2.16-acre parcel of Federal land located in the SW<sup>1</sup>/<sub>4</sub> of sec. 4, T. 10 N., R. 5 W., Winn Parish, Louisiana, as depicted on a certificate of survey dated March 7, 2007, by Glen L. Cannon, P.L.S. 4436.

(2) FIRST RIGHT OF PURCHASE.—Subject to valid existing rights and subsection (e), during the 1-year period beginning on the date of enactment of this Act, on the provision of consideration by the Collins Camp Properties to the Secretary, the Secretary shall convey, by quitclaim deed, to Collins Camp Properties all right, title, and interest of the United States in and to—

(A) the not more than 47.92 acres of Federal land comprising the Collins Campsites within sec. 9, T. 10 N., R. 5 W., in Winn Parish, Louisiana, as generally depicted on a certificate of survey dated February 28, 2007, by Glen L. Cannon, P.L.S. 4436; and

(B) the parcel of Federal land described in paragraph (1)(B)(ii).

(3) TERMS AND CONDITIONS.—The Secretary may—

(A) configure the Federal land to be conveyed under this section—

(i) to maximize the marketability of the conveyance; or

(ii) to achieve management objectives; and

(B) establish any terms and conditions for the conveyances under this section that the Secretary determines to be in the public interest.

(4) CONSIDERATION.—Consideration for a conveyance of Federal land under this section shall be—

(A) in the form of cash; and

(B) in an amount equal to the market value of the Federal land being conveyed, as determined under paragraph (5).

(5) MARKET VALUE.—The market value of the Federal land conveyed under this section shall be determined—

(A) in the case of Federal land conveyed under paragraph (2), by an appraisal that is—

(i) conducted in accordance with the Uniform Appraisal Standards for Federal Land Acquisitions; and

(ii) approved by the Secretary; or

(B) if conveyed by a method other than the methods described in paragraph (2), by competitive sale.

(6) HAZARDOUS SUBSTANCES.—

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(A) **IN GENERAL.**—In any conveyance of Federal land under this section, the Secretary shall meet disclosure requirements for hazardous substances, but shall otherwise not be required to remediate or abate the substances.

(B) **EFFECT.**—Except as provided in subparagraph (A), nothing in this subsection affects the application of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) to the conveyances of Federal land.

(d) **PROCEEDS FROM THE SALE OF LAND.**—The Secretary shall deposit the proceeds of a conveyance of Federal land under subsection (c) in the fund established under Public Law 90–171 (commonly known as the “Sisk Act”) (16 U.S.C. 484a).

(e) **ADMINISTRATION.**—

(1) **COSTS.**—As a condition of a conveyance of Federal land to Collins Camp Properties under subsection (c), the Secretary shall require Collins Camp Properties to pay at closing—

(A) reasonable appraisal costs; and

(B) the cost of any administrative and environmental analyses required by law (including regulations).

(2) **PERMITS.**—

(A) **IN GENERAL.**—An offer by Collins Camp Properties for the acquisition of the Federal land under subsection (c) shall be accompanied by a written statement from each holder of a Forest Service special use authorization with respect to the Federal land that specifies that the holder agrees to relinquish the special use authorization on the conveyance of the Federal land to Collins Camp Properties.

(B) **SPECIAL USE AUTHORIZATIONS.**—If any holder of a special use authorization described in subparagraph (A) fails to provide a written authorization in accordance with that subparagraph, the Secretary shall require, as a condition of the conveyance, that Collins Camp Properties administer the special use authorization according to the terms of the special use authorization until the date on which the special use authorization expires.

**SEC. 8628. PURCHASE OF NATURAL RESOURCES CONSERVATION SERVICE PROPERTY, RIVERSIDE COUNTY, CALIFORNIA.**

(a) **FINDINGS.**—Congress finds as follows:

(1) Since 1935, the United States has owned a parcel of land in Riverside, California, consisting of approximately 8.75 acres, more specifically described in subsection (b)(1) (in this section referred to as the “property”).

(2) The property is under the jurisdiction of the Department of Agriculture and has been variously used for research and plant materials purposes.

(3) Since 1998, the property has been administered by the Natural Resources Conservation Service of the Department of Agriculture.

(4) Since 2002, the property has been co-managed under a cooperative agreement between the Natural Resources Conservation Service and the Riverside Corona Resource Conservation District, which is a legal subdivision of the State of California under section 9003 of the California Public Resources Code.

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(5) The Conservation District wishes to purchase the property and use it for conservation, environmental, and related educational purposes.

(6) As provided in subsection (b), the purchase of the property by the Conservation District would promote the conservation education and related activities of the Conservation District and result in savings to the Federal Government.

(b) LAND PURCHASE, NATURAL RESOURCES CONSERVATION SERVICE PROPERTY, RIVERSIDE COUNTY, CALIFORNIA.—

(1) PURCHASE AUTHORIZED.—The Secretary shall sell and quitclaim to the Riverside Corona Resource Conservation District (in this section referred to as the “Conservation District”) all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, that is located at 4500 Glenwood Drive in Riverside, California, consists of approximately 8.75 acres, and is administered by the Natural Resources Conservation Service of the Department of Agriculture. As necessary or desirable to facilitate the purchase of the property under this subsection, the Secretary or the Conservation District may survey all or portions of the property.

(2) CONSIDERATION.—As consideration for the purchase of the property under this subsection, the Conservation District shall pay to the Secretary an amount equal to the appraised value of the property.

(3) PROHIBITION ON RESERVATION OF INTEREST.—The Secretary shall not reserve any future interest in the property to be conveyed under this subsection, except such interest as may be acceptable to the Conservation District.

(4) HAZARDOUS SUBSTANCES.—Notwithstanding section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)) or the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.), in the case of the property purchased by the Conservation District under this subsection, the Secretary shall be only required to meet the disclosure requirements for hazardous substances, pollutants, or contaminants, but shall otherwise not be required to remediate or abate any such releases of hazardous substances, pollutants, or contaminants, including petroleum and petroleum derivatives.

(5) COOPERATIVE AUTHORITY.—

(A) LEASES, CONTRACTS, AND COOPERATIVE AGREEMENTS AUTHORIZED.—In conjunction with, or in addition to, the purchase of the property by the Conservation District under this subsection, the Secretary may enter into leases, contracts and cooperative agreements with the Conservation District.

(B) SOLE SOURCE.—Notwithstanding sections 3105, 3301, and 3303 to 3305 of title 41, United States Code, or any other provision of law, the Secretary may lease real property from the Conservation District on a non-competitive basis.

(C) NON-EXCLUSIVE AUTHORITY.—The authority provided by this subsection is in addition to any other authority of the Secretary.



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**SEC. 8629. COLLABORATIVE FOREST LANDSCAPE RESTORATION PROGRAM.**

(a) **WAIVER AUTHORITY.**—Section 4003(d) of the Omnibus Public Land Management Act of 2009 (16 U.S.C. 7303(d)) is amended by adding at the end the following:

“(4) **WAIVER.**—

“(A) **IN GENERAL.**—Subject to subparagraph (B), after consulting with the advisory panel established under subsection (e), if the Secretary determines that a proposal that has been selected under paragraph (1) and is being carried out continues to meet the eligibility criteria established by subsection (b), the Secretary, on a case-by-case basis, may issue for the proposal a 1-time extension of the 10-year period requirement under paragraph (1)(B) of that subsection.

“(B) **LIMITATION.**—The extension described in subparagraph (A)—

“(i) shall be for the shortest period of time practicable to complete implementation of the proposal, as determined by the Secretary; and

“(ii) shall not exceed 10 years.”

(b) **WAIVER LIMITATION.**—Section 4003(f)(4) of the Omnibus Public Land Management Act of 2009 (16 U.S.C. 7303(f)(4)) is amended by adding at the end the following:

“(C) **EXCEPTION.**—The limitation described in subparagraph (B)(i) shall not apply to a proposal for which a 1-time extension is granted under subsection (d)(4).”

(c) **REAUTHORIZATION.**—Section 4003(f)(6) of the Omnibus Public Land Management Act of 2009 (16 U.S.C. 7303(f)(6)) is amended by striking “\$40,000,000 for each of fiscal years 2009 through 2019” and inserting “\$80,000,000 for each of fiscal years 2019 through 2023”.

(d) **REPORTING REQUIREMENTS.**—Section 4003(h) of the Omnibus Public Land Management Act of 2009 (16 U.S.C. 7303(h)) is amended—

(1) in paragraph (3), by striking “and” after the semicolon;

(2) in paragraph (4), by striking the period at the end and inserting “; and”;

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

(4) by inserting after paragraph (2) the following:

“(3) the Committee on Agriculture, Nutrition, and Forestry of the Senate;” and

(5) by adding at the end the following:

“(6) the Committee on Agriculture of the House of Representatives.”

**SEC. 8630. UTILITY INFRASTRUCTURE RIGHTS-OF-WAY VEGETATION MANAGEMENT PILOT PROGRAM.**43 USC 1772  
note.

(a) **DEFINITIONS.**—In this section:

(1) **NATIONAL FOREST SYSTEM LAND.**—

(A) **IN GENERAL.**—The term “National Forest System land” means land within the National Forest System, as defined in section 11(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1609(a)).

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(B) EXCLUSIONS.—The term “National Forest System land” does not include—

(i) a National Grassland; or

(ii) a land utilization project on land designated as a National Grassland and administered pursuant to sections 31, 32, and 33 of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010, 1011, 1012).

(2) PASSING WILDFIRE.—The term “passing wildfire” means a wildfire that originates outside of a right-of-way.

(3) PILOT PROGRAM.—The term “pilot program” means the pilot program established by the Secretary under subsection (b).

(4) RIGHT-OF-WAY.—The term “right-of-way” means a special use authorization issued by the Forest Service allowing the placement of utility infrastructure.

(5) UTILITY INFRASTRUCTURE.—The term “utility infrastructure” means electric transmission lines, natural gas infrastructure, or related structures.

(b) ESTABLISHMENT.—

(1) IN GENERAL.—To encourage owners or operators of rights-of-way on National Forest System land to partner with the Forest Service to voluntarily conduct vegetation management projects on a proactive basis to better protect utility infrastructure from potential passing wildfires, the Secretary may establish a limited, voluntary pilot program, in the manner described in this section, to conduct vegetation management projects on National Forest System land adjacent to those rights-of-way.

(2) APPLICATION.—The pilot program shall not apply in a right-of-way described in paragraph (1).

(c) ELIGIBLE PARTICIPANTS.—

(1) IN GENERAL.—A participant in the pilot program shall be the owner or operator of a right-of-way on National Forest System land.

(2) SELECTION PRIORITY.—In selecting participants for the pilot program, the Secretary shall give priority to an owner or operator of a right-of-way that has developed the utility infrastructure protection prescriptions of the owner or operator in coordination with Forest Service fire scientists or fire managers.

(d) VEGETATION MANAGEMENT PROJECTS.—

(1) IN GENERAL.—A vegetation management project conducted under the pilot program shall involve only limited vegetation management activities that—

(A) shall create the least ground disturbance and least disturbance to wildlife reasonably necessary to protect utility infrastructure from passing wildfires based on applicable models, including Forest Service fuel models;

(B) may include thinning and treatment of surface fuels, ladder fuels, and activity fuels to create or maintain shaded fuel breaks or other appropriate measures recommended by Forest Service fire scientists or fire managers;

(C)(i) shall only be conducted on National Forest System land; and

(ii) shall not—

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(I) extend for more than 150 feet from the electric transmission line for which the applicable participant has a right-of-way; or

(II) comprise an overall width, for both sides of that electric transmission line, that totals more than 200 feet; and

(D) shall not be conducted on—

(i) a component of the National Wilderness Preservation System;

(ii) a designated wilderness study area;

(iii) an inventoried roadless area; or

(iv) Federal land on which, by Act of Congress or Presidential proclamation, the removal of vegetation is restricted or prohibited.

(2) APPROVAL.—Each vegetation management project described in paragraph (1) shall be subject to approval by the Forest Service in accordance with this section.

(3) FIRE PREVENTION.—In carrying out a vegetation management project under the pilot program, a participant shall adhere to—

(A) Forest Service regulations relating to spark arresting devices;

(B) Forest Service regulations limiting and prohibiting certain activities conducted by contractors in an area, based on weather conditions and fire danger;

(C) Forest Service regulations that apply to contractors removing vegetation on National Forest System land pursuant to a timber sale or stewardship contract, including regulations relating to—

(i) protection of residual trees and timber damaged by contractors;

(ii) protection measures needed for plants, animals, cultural resources, and cave resources;

(iii) streamcourse protection and erosion control;

(iv) fire plans, precautions, and precautionary periods;

(v) fire suppression costs; and

(vi) employment of eligible workers; and

(D) State regulations relating to the prevention of wildfires and contractors removing vegetation.

(4) TREATMENT OF SLASH.—In carrying out a vegetation management project under the pilot program, a participant shall treat any activity fuels in a manner that—

(A) is satisfactory to the Forest Service;

(B) does not result in a fire hazard; and

(C) reduces the risk of an insect or disease outbreak.

(e) PROJECT COSTS.—

(1) IN GENERAL.—Except as provided in paragraph (2) and subsection (f)(2), a participant in the pilot program shall be responsible for all costs, as determined by the Secretary, incurred in participating in the pilot program.

(2) FEDERAL FUNDING.—The Secretary may contribute funds for a vegetation management project conducted under the pilot program if the Secretary determines that the contribution is in the public interest.

(f) LIABILITY.—

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(1) **ACTIVITIES WITHIN RIGHTS-OF-WAY.**—Participation in the pilot program shall not affect any legal obligations or liability standards that arise under the right-of-way for activities in the right-of-way.

(2) **WILDFIRES.**—

(A) **OPERATIONS FIRES.**—

(i) **IN GENERAL.**—With respect to fire suppression costs for a wildfire caused by the operations of a participant in the pilot program (other than an operation or activity of a participant described in subparagraph (B) or (C)), the participant shall reimburse the Forest Service for those costs, subject to a maximum dollar amount to which the Forest Service and the participant shall agree prior to the commencement of the project.

(ii) **CREDIT FOR ACTIONS BY PARTICIPANTS.**—

(I) **IN GENERAL.**—If a participant in the pilot program provides actions, supplies, or equipment for use to suppress a wildfire described in clause (i) or at the request of the Forest Service, the cost of those actions, supplies, or equipment shall be credited toward the maximum dollar amount described in that clause.

(II) **REIMBURSEMENT.**—If the actual cost of a participant described in subclause (I) exceeds the maximum dollar amount described in clause (i), the Forest Service shall reimburse the participant for the excess.

(B) **NEGLIGENT FIRES.**—

(i) **IN GENERAL.**—Subject to clause (ii), if a wildfire is caused by the negligence of a participant in the pilot program, or an agent of the participant, including a wildfire caused by smoking by persons engaged in the operations of the participant, the participant shall bear the cost of damages to Forest Service resources and the fire suppression costs resulting from the wildfire.

(ii) **LIMITATION.**—Except as provided in clause (iii), the costs borne by a participant under clause (i) shall not exceed \$500,000.

(iii) **FAILURE TO COMPLY.**—If the start or spread of a wildfire described in clause (i) is caused by the failure of the participant to comply with specific safety requirements expressly imposed by the Forest Service as a condition of conducting a vegetation management project under the pilot program or by this section, the participant shall bear the cost of damages to Forest Service resources and the fire suppression costs resulting from the wildfire.

(C) **EXCEPTIONS.**—This paragraph shall not apply in the case of a wildfire caused by the felling of a tree by a participant in the pilot program, or an agent of the participant, onto an electric transmission line.

(3) **EFFECT.**—Nothing in this subsection relieves a participant in the pilot program of any liabilities to which the participant is subject—

(A) under State laws; or

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(B) with regard to damages to property other than Forest Service property.

(g) IMPLEMENTATION.—

(1) IN GENERAL.—Except as provided in paragraph (3), the Secretary shall use the authority of the Secretary under other laws (including regulations) to carry out the pilot program.

(2) COMPLIANCE WITH EXISTING LAWS.—Except as provided in paragraph (3), a vegetation management project under the pilot program shall be—

(A) consistent with the applicable land management plan for the area in which the project is located; and

(B) carried out in accordance with all applicable laws, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(3) MODIFICATION OF REGULATIONS.—In order to implement the pilot program in an efficient and expeditious manner, the Secretary may waive or modify specific provisions of the Federal Acquisition Regulation, including waivers or modifications to allow for the formation of contracts or agreements on a non-competitive basis.

(h) TREATMENT OF PROCEEDS.—Notwithstanding any other provision of law, the Secretary may—

(1) retain any funds provided to the Forest Service by a participant in the pilot program; and

(2) use funds retained under paragraph (1), in such amounts as may be appropriated, to carry out the pilot program.

(i) REPORT TO CONGRESS.—Not later than December 31, 2020, and 2 years thereafter, the Secretary shall submit a report describing the status of the pilot program and vegetation management projects conducted under the pilot program to—

(1) the Committees on Agriculture, Nutrition, and Forestry and Energy and Natural Resources of the Senate; and

(2) the Committees on Agriculture and Natural Resources of the House of Representatives.

(j) DURATION.—The authority to carry out the pilot program, including any vegetation management project conducted under the pilot program, expires on October 1, 2023.

**SEC. 8631. OKHISSA LAKE RURAL ECONOMIC DEVELOPMENT LAND CONVEYANCE.**

(a) DEFINITION OF ALLIANCE.—In this section, the term “Alliance” means the Scenic Rivers Development Alliance.

(b) REQUEST.—Subject to the requirements of this section, if the Alliance submits a written request for conveyance by not later than 180 days after the date of enactment of this Act and the Secretary determines that it is in the public interest to convey the National Forest System Land described in subsection (c), the Secretary shall convey to the Alliance all right, title, and interest of the United States in and to the National Forest System land described in subsection (c) by quitclaim deed through a public or private sale, including a competitive sale by auction or bid.

(c) DESCRIPTION OF NATIONAL FOREST SYSTEM LAND.—

(1) IN GENERAL.—Subject to paragraph (2), the National Forest System land referred to in subsection (b) is the approximately 150 acres of real property located in sec. 6, T. 5 N. R. 4 E., Franklin County, Mississippi, and further described as—

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(A) the portion of the NW $\frac{1}{4}$  NW $\frac{1}{4}$  lying south of the south boundary of Berrytown Road;

(B) the portion of the W $\frac{1}{2}$  NE $\frac{1}{4}$  NW $\frac{1}{4}$  lying south of the south boundary of Berrytown Road;

(C) the portion of the SW $\frac{1}{4}$  NW $\frac{1}{4}$  lying east of the east boundary of U.S. Highway 98;

(D) the W $\frac{1}{2}$  SE $\frac{1}{4}$  NW $\frac{1}{4}$ ;

(E) the portion of the NW $\frac{1}{4}$  SW $\frac{1}{4}$  lying east of the east boundary of U.S. Highway 98;

(F) the portion of the NE $\frac{1}{4}$  SW $\frac{1}{4}$  commencing at the southwest corner of the NE $\frac{1}{4}$  SW $\frac{1}{4}$ , said point being the point of beginning, thence running east 330 feet along the south boundary of the NE $\frac{1}{4}$  SW $\frac{1}{4}$  to a point in Lake Okhissa, thence running northeasterly to a point in Lake Okhissa on the east boundary of the NE $\frac{1}{4}$  SW $\frac{1}{4}$  330 feet south of the northeast corner thereof, thence running north 330 feet along the east boundary of the NE $\frac{1}{4}$  SW $\frac{1}{4}$  to the northeast corner thereof, thence running west along the north boundary of the NE $\frac{1}{4}$  SW $\frac{1}{4}$  to the NW corner thereof; thence running south along the west boundary of the NE $\frac{1}{4}$  SW $\frac{1}{4}$  to the point of beginning; and

(G) the portion of the SE $\frac{1}{4}$  SE $\frac{1}{4}$  NW $\frac{1}{4}$  commencing at the southeast corner of the SE $\frac{1}{4}$  NW $\frac{1}{4}$ , said point being the point of beginning, and running northwesterly to the northwest corner of the SE $\frac{1}{4}$  SE $\frac{1}{4}$  NW $\frac{1}{4}$ , thence running south along the west boundary of the SE $\frac{1}{4}$  SE $\frac{1}{4}$  NW $\frac{1}{4}$  to the southwest corner thereof, thence running east along the south boundary of the SE $\frac{1}{4}$  SE $\frac{1}{4}$  NW $\frac{1}{4}$  to the point of beginning.

(2) SURVEY.—The exact acreage and legal description of the National Forest System land to be conveyed under this section shall be determined by a survey satisfactory to the Secretary.

(d) CONSIDERATION.—

(1) IN GENERAL.—The consideration for the conveyance of any National Forest System land under this section shall be—

(A) provided in the form of cash; and

(B) in an amount equal to the fair market value of the National Forest System land being conveyed, as determined under paragraph (2).

(2) FAIR MARKET VALUE DETERMINATION.—The fair market value of the National Forest System land conveyed under this section shall be determined—

(A) in the case of a method of conveyance described in subsection (b), by an appraisal that is—

(i) conducted in accordance with the Uniform Appraisal Standards for Federal Land Acquisitions; and

(ii) approved by the Secretary; or

(B) in the case of a conveyance by a method other than a method described in subsection (b), by competitive sale.

(e) TERMS AND CONDITIONS.—The conveyance under this section shall be subject to—

(1) valid existing rights; and



(2) such other terms and conditions as the Secretary considers to be appropriate to protect the interests of the United States.

(f) PROCEEDS FROM SALE.—The Secretary shall deposit the proceeds of the conveyance of any National Forest System land under this section in the fund established under Public Law 90-171 (commonly known as the “Sisk Act”) (16 U.S.C. 484a).

(g) COSTS.—As a condition for the conveyance under this section, the Secretary shall require the Alliance to pay at closing—

(1) any reasonable appraisal costs; and

(2) the costs of any administrative or environmental analysis required by applicable law (including regulations).

**SEC. 8632. REMOTE SENSING TECHNOLOGIES.**

16 USC 1642 note.

The Chief of the Forest Service shall—

(1) continue to find efficiencies in the operations of the forest inventory and analysis program under section 3(e) of the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1642(e)) through the improved use and integration of advanced remote sensing technologies to provide estimates for State- and national-level inventories, where appropriate; and

(2) partner with States and other interested stakeholders to carry out the program described in paragraph (1).

**PART III—TIMBER INNOVATION**

**SEC. 8641. DEFINITIONS.**

7 USC 7655c note.

In this part:

(1) INNOVATIVE WOOD PRODUCT.—The term “innovative wood product” means a type of building component or system that uses large panelized wood construction, including mass timber.

(2) MASS TIMBER.—The term “mass timber” includes—

- (A) cross-laminated timber;
- (B) nail laminated timber;
- (C) glue laminated timber;
- (D) laminated strand lumber; and
- (E) laminated veneer lumber.

(3) SECRETARY.—The term “Secretary” means the Secretary, acting through the Research and Development deputy area and the State and Private Forestry deputy area of the Forest Service.

(4) TALL WOOD BUILDING.—The term “tall wood building” means a building designed to be—

- (A) constructed with mass timber; and
- (B) more than 85 feet in height.

**SEC. 8642. CLARIFICATION OF RESEARCH AND DEVELOPMENT PROGRAM FOR WOOD BUILDING CONSTRUCTION.**

7 USC 7655c.

(a) IN GENERAL.—The Secretary shall conduct performance-driven research and development, education, and technical assistance for the purpose of facilitating the use of innovative wood products in wood building construction in the United States.

(b) ACTIVITIES.—In carrying out subsection (a), the Secretary shall—

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(1) after receipt of input and guidance from, and collaboration with, the wood products industry, conservation organizations, and institutions of higher education, conduct research and development, education, and technical assistance at the Forest Products Laboratory or through the State and Private Forestry deputy area that meets measurable performance goals for the achievement of the priorities described in subsection (c); and

(2) after coordination and collaboration with the wood products industry and conservation organizations, make competitive grants to institutions of higher education to conduct research and development, education, and technical assistance that meets measurable performance goals for the achievement of the priorities described in subsection (c).

(c) **PRIORITIES.**—The research and development, education, and technical assistance conducted under subsection (a) shall give priority to—

(1) ways to improve the commercialization of innovative wood products;

(2) analyzing the safety of tall wood building materials;

(3) calculations by the Forest Products Laboratory of the lifecycle environmental footprint, from extraction of raw materials through the manufacturing process, of tall wood building construction;

(4) analyzing methods to reduce the lifecycle environmental footprint of tall wood building construction;

(5) analyzing the potential implications of the use of innovative wood products in building construction on wildlife; and

(6) 1 or more other research areas identified by the Secretary, in consultation with conservation organizations, institutions of higher education, and the wood products industry.

(d) **TIMEFRAME.**—To the maximum extent practicable, the measurable performance goals for the research and development, education, and technical assistance conducted under subsection (a) shall be achievable within a 5-year timeframe.

7 USC 7655d.

**SEC. 8643. WOOD INNOVATION GRANT PROGRAM.**

(a) **DEFINITIONS.**—In this section:

(1) **ELIGIBLE ENTITY.**—The term “eligible entity” means—

(A) an individual;

(B) a public or private entity (including a center of excellence that consists of 1 or more partnerships between forestry, engineering, architecture, or business schools at 1 or more institutions of higher education); or

(C) a State, local, or Tribal government.

(2) **SECRETARY.**—The term “Secretary” means the Secretary, acting through the Chief of the Forest Service.

(b) **GRANT PROGRAM.**—

(1) **IN GENERAL.**—The Secretary, in carrying out the wood innovation grant program of the Secretary described in the notice of the Secretary entitled “Request for Proposals: 2016 Wood Innovations Funding Opportunity” (80 Fed. Reg. 63498 (October 20, 2015)), may make a wood innovation grant to 1 or more eligible entities each year for the purpose of advancing the use of innovative wood products.

(2) **PROPOSALS.**—To be eligible to receive a grant under this subsection, an eligible entity shall submit to the Secretary

a proposal at such time, in such manner, and containing such information as the Secretary may require.

(c) **INCENTIVIZING USE OF EXISTING MILLING CAPACITY.**—In selecting among proposals of eligible entities under subsection (b)(2), the Secretary shall give priority to proposals that include the use or retrofitting (or both) of existing sawmill facilities located in counties in which the average annual unemployment rate exceeded the national average unemployment rate by more than 1 percent in the previous calendar year.

(d) **MATCHING REQUIREMENT.**—As a condition of receiving a grant under subsection (b), an eligible entity shall provide funds equal to the amount received by the eligible entity under the grant, to be derived from non-Federal sources.

**SEC. 8644. COMMUNITY WOOD ENERGY AND WOOD INNOVATION PROGRAM.**

Section 9013 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8113) is amended to read as follows:

**“SEC. 9013. COMMUNITY WOOD ENERGY AND WOOD INNOVATION PROGRAM.**

“(a) **DEFINITIONS.**—In this section:

“(1) **COMMUNITY WOOD ENERGY SYSTEM.**—

“(A) **IN GENERAL.**—The term ‘community wood energy system’ means an energy system that—

“(i) produces thermal energy or combined thermal energy and electricity where thermal is the primary energy output;

“(ii) services public facilities owned or operated by State or local governments (including schools, town halls, libraries, and other public buildings) or private or nonprofit facilities (including commercial and business facilities, such as hospitals, office buildings, apartment buildings, and manufacturing and industrial buildings); and

“(iii) uses woody biomass, including residuals—

“(I) that have not been adulterated with glue or other chemical treatments from wood processing facilities, as the primary fuel; and

“(II) for which the use of that biomass for energy production does not cause conversion of forests to nonforest use.

“(B) **INCLUSIONS.**—The term ‘community wood energy system’ includes single-facility central heating, district heating systems serving multiple buildings, combined heat and electric systems where thermal energy is the primary energy output, and other related biomass energy systems.

“(2) **INNOVATIVE WOOD PRODUCT FACILITY.**—The term ‘innovative wood product facility’ means a manufacturing or processing plant or mill that produces—

“(A) building components or systems that use large panelized wood construction, including mass timber;

“(B) wood products derived from nanotechnology or other new technology processes, as determined by the Secretary; or

“(C) other innovative wood products that use low-value, low-quality wood, as determined by the Secretary.

“(3) **MASS TIMBER.**—The term ‘mass timber’ includes—

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- “(A) cross-laminated timber;
- “(B) nail-laminated timber;
- “(C) glue-laminated timber;
- “(D) laminated strand lumber; and
- “(E) laminated veneer lumber.

“(4) PROGRAM.—The term ‘Program’ means the Community Wood Energy and Wood Innovation Program established under subsection (b).

“(b) COMPETITIVE GRANT PROGRAM.—The Secretary, acting through the Chief of the Forest Service, shall establish a competitive grant program to be known as the ‘Community Wood Energy and Wood Innovation Program’.

“(c) MATCHING GRANTS.—

“(1) IN GENERAL.—Under the Program, the Secretary shall make grants to cover not more than 35 percent of the capital cost for installing a community wood energy system or building an innovative wood product facility.

“(2) SPECIAL CIRCUMSTANCES.—The Secretary may establish special circumstances, such as in the case of a community wood energy system project or innovative wood product facility project involving a school or hospital in a low-income community, under which grants under the Program may cover up to 50 percent of the capital cost.

“(3) SOURCE OF MATCHING FUNDS.—Matching funds required pursuant to this subsection from a grant recipient shall be derived from non-Federal funds.

“(d) PROJECT CAP.—The total amount of grants under the Program for a community wood energy system project or innovative wood product facility project may not exceed—

“(1) in the case of grants under the general authority provided under subsection (c)(1), \$1,000,000; and

“(2) in the case of grants for which the special circumstances apply under subsection (c)(2), \$1,500,000.

“(e) SELECTION CRITERIA.—In selecting applicants for grants under the Program, the Secretary shall consider the following:

“(1) The energy efficiency of the proposed community wood energy system or innovative wood product facility.

“(2) The cost effectiveness of the proposed community wood energy system or innovative wood product facility.

“(3) The extent to which the proposed community wood energy system or innovative wood product facility represents the best available commercial technology.

“(4) The extent to which the proposed community wood energy system uses the most stringent control technology that has been required or achieved in practice for a wood-fired boiler of similar size and type.

“(5)(A) The extent to which the proposed community wood energy system will displace conventional fossil fuel generation.

“(B) Whether the proposed community wood energy system minimizes emission increases to the greatest extent possible.

“(6) The extent to which the proposed community wood energy system will increase delivered thermal efficiency of the systems replaced.

“(7) The extent to which the applicant has demonstrated a high likelihood of project success by completing detailed engineering and design work in advance of the grant application.

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“(8) Other technical, economic, conservation, and environmental criteria that the Secretary considers appropriate.

“(f) GRANT PRIORITIES.—In selecting applicants for grants under the Program, the Secretary shall give priority to proposals that use the most stringent control technology that has been required or achieved in practice for a wood-fired boiler and—

“(1) would be carried out in a location where markets are needed for the low-value, low-quality wood;

“(2) would be carried out in a location with limited access to natural gas pipelines;

“(3) would include the use or retrofitting (or both) of existing sawmill facilities located in a location where the average annual unemployment rate exceeded the national average unemployment rate by more than 1 percent during the previous calendar year; or

“(4) would be carried out in a location where the project will aid with forest restoration.

“(g) LIMITATIONS.—

“(1) CAPACITY OF COMMUNITY WOOD ENERGY SYSTEMS.—A community wood energy system acquired with grant funds under the Program shall not exceed nameplate capacity of 5 megawatts of thermal energy or combined thermal and electric energy.

“(2) FUNDING FOR INNOVATIVE WOOD PRODUCT FACILITIES.—Not more than 25 percent of funds provided as grants under the Program for a fiscal year may go to applicants proposing innovative wood product facilities, unless the Secretary has received an insufficient number of qualified proposals for community wood energy systems.

“(h) FUNDING.—There is authorized to be appropriated to carry out the Program \$25,000,000 for each of fiscal years 2019 through 2023.”.

## Subtitle G—Other Matters

### SEC. 8701. RURAL REVITALIZATION TECHNOLOGIES.

Section 2371(d)(2) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 6601(d)(2)) is amended by striking “2018” and inserting “2023”.

### SEC. 8702. RESOURCE ADVISORY COMMITTEES.

Section 205 of the Secure Rural Schools and Community Self-Determination Act of 2000 (16 U.S.C. 7125) is amended—

(1) in subsection (d)—

(A) in paragraph (1), by striking “Each” and inserting “Except as provided in paragraph (6), each”;

(B) in paragraph (2), in the matter preceding subparagraph (A), by striking “Committee” and inserting “Except as provided in paragraph (6), committee”; and

(C) by adding at the end the following:

“(6) COMMITTEE COMPOSITION WAIVER AUTHORITY.—

“(A) NOTICE.—On notice from the applicable regional forester that an adequate number of qualified candidates are not interested or available to serve on a resource advisory committee, the Secretary concerned shall publish

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a notice in the Federal Register seeking candidates for the resource advisory committee.

“(B) MODIFICATION OF MEMBERSHIP REQUIREMENTS.—If, by the date that is 30 days after the date of publication of notice under subparagraph (A), an inadequate number of qualified candidates have applied to serve on a resource advisory committee, the Secretary concerned may reduce—

“(i) the membership requirement under paragraph (1) to not fewer than 9; and

“(ii) the membership requirements under subparagraphs (A), (B), and (C) of paragraph (2) to 3 in each category described in that paragraph, except that where a vacancy exists on a resource advisory committee, the Secretary concerned may not reject a qualified applicant from any category.

“(C) TERMINATION OF AUTHORITY.—The authority provided under this paragraph terminates on October 1, 2023.”; and

(2) by adding at the end the following:

“(g) REGIONAL APPOINTMENT PILOT PROGRAM.—

“(1) DEFINITION OF APPLICABLE DESIGNEE.—In this subsection, the term ‘applicable designee’ means the applicable regional forester.

“(2) PILOT PROGRAM.—The Secretary concerned shall carry out a pilot program (referred to in this subsection as the ‘pilot program’) to allow an applicable designee to appoint members of resource advisory committees.

“(3) GEOGRAPHIC LIMITATION.—The pilot program shall only apply to resource advisory committees chartered in—

“(A) the State of Montana; and

“(B) the State of Arizona.

“(4) RESPONSIBILITIES OF APPLICABLE DESIGNEE.—

“(A) REVIEW.—Before appointing a member of a resource advisory committee under the pilot program, an applicable designee shall conduct the review and analysis that would otherwise be conducted for an appointment to a resource advisory committee if the pilot program was not in effect, including any review and analysis with respect to civil rights and budgetary requirements.

“(B) SAVINGS CLAUSE.—Nothing in this subsection relieves an applicable designee from any requirement developed by the Secretary concerned for making an appointment to a resource advisory committee that is in effect on the date of enactment of this subsection, including any requirement for advertising a vacancy.

“(5) TERMINATION OF EFFECTIVENESS.—The authority provided under this subsection terminates on October 1, 2023.

“(6) REPORT TO CONGRESS.—Not later than the date that is 180 days after the date described in paragraph (5), the Secretary concerned shall submit to Congress a report that includes—

“(A) with respect to appointments made under the pilot program compared to appointments to resource advisory committees not made under the pilot program, a description of the extent to which—

“(i) appointments were faster or slower; and



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“(ii) the requirements described in paragraph (4) differ; and

“(B) a recommendation with respect to whether Congress should terminate, continue, modify, or expand the pilot program.”.

**SEC. 8703. TRIBAL FOREST MANAGEMENT DEMONSTRATION PROJECT.** 25 USC 3115b.

(a) **IN GENERAL.**—The Secretary of the Interior and the Secretary may carry out demonstration projects by which federally recognized Indian Tribes or Tribal organizations may contract to perform administrative, management, and other functions of programs of the Tribal Forest Protection Act of 2004 (25 U.S.C. 3115a et seq.) through contracts entered into under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304 et seq.).

(b) **REQUIREMENTS.**—With respect to any contract or project carried out under subsection (a)—

(1) on National Forest System land, the Secretary shall carry out all functions delegated to the Secretary of the Interior under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304 et seq.);

(2) the Secretary or the Secretary of the Interior, as applicable, shall make any decisions required to be made under—

(A) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and

(B) the Tribal Forest Protection Act of 2004 (25 U.S.C. 3115a et seq.); and

(3) the contract or project shall be entered into under, and in accordance with, section 403(b)(2) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5363(b)(2)).

**SEC. 8704. TECHNICAL CORRECTIONS.**

(a) **WILDFIRE SUPPRESSION FUNDING AND FOREST MANAGEMENT ACTIVITIES ACT.**—

(1) **IN GENERAL.**—The Wildfire Suppression Funding and Forest Management Activities Act (Public Law 115–141) is amended—

(A) in section 102(a)(2), by striking “the date of enactment” and inserting “the date of the enactment”; and *Ante*, p. 1059.

(B) in section 401(a)(1), by inserting “of 2000” after “Self-Determination Act”. *Ante*, p. 1076.

(2) **EFFECTIVE DATE.**—The amendments made by paragraph (1) shall take effect as if enacted as part of the Wildfire Suppression Funding and Forest Management Activities Act (Public Law 115–141). 2 USC 901 note.

(b) **AGRICULTURAL ACT OF 2014.**—Section 8206(a) of the Agricultural Act of 2014 (16 U.S.C. 2113a(a)) (as amended by section 8624(b)) is amended—

(1) in paragraph (4)(B)(i)(II), by striking “Good Neighbor Authority Improvement Act” and inserting “Wildfire Suppression Funding and Forest Management Activities Act”; and

(2) in paragraph (8), by striking “Good Neighbor Authority Improvement Act” and inserting “Wildfire Suppression Funding and Forest Management Activities Act”.

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43 USC 1761a.

**SEC. 8705. STREAMLINING THE FOREST SERVICE PROCESS FOR CONSIDERATION OF COMMUNICATIONS FACILITY LOCATION APPLICATIONS.**

(a) DEFINITIONS.—In this section:

(1) COMMUNICATIONS FACILITY.—The term “communications facility” includes—

(A) any infrastructure, including any transmitting device, tower, or support structure, and any equipment, switches, wiring, cabling, power sources, shelters, or cabinets, associated with the licensed or permitted unlicensed wireless or wireline transmission of writings, signs, signals, data, images, pictures, and sounds of all kinds; and

(B) any antenna or apparatus that—

(i) is designed for the purpose of emitting radio frequency;

(ii) is designed to be operated, or is operating, from a fixed location pursuant to authorization by the Federal Communications Commission or is using duly authorized devices that do not require individual licenses; and

(iii) is added to a tower, building, or other structure.

(2) COMMUNICATIONS SITE.—The term “communications site” means an area of covered land designated for communications uses.

(3) COMMUNICATIONS USE.—The term “communications use” means the placement and operation of a communications facility.

(4) COMMUNICATIONS USE AUTHORIZATION.—The term “communications use authorization” means an easement, right-of-way, lease, license, or other authorization to locate or modify a communications facility on covered land by the Forest Service for the primary purpose of authorizing the occupancy and use of the covered land for communications use.

(5) COVERED LAND.—The term “covered land” means National Forest System land.

(6) FOREST SERVICE.—The term “Forest Service” means the United States Forest Service of the Department of Agriculture.

(7) ORGANIZATIONAL UNIT.—The term “organizational unit” means, within the Forest Service—

(A) a regional office;

(B) the headquarters;

(C) a management unit; or

(D) a ranger district office.

(b) REGULATIONS.—Notwithstanding section 6409 of the Middle Class Tax Relief and Job Creation Act of 2012 (47 U.S.C. 1455) or section 606 of the Repack Airwaves Yielding Better Access for Users of Modern Services Act of 2018 (Public Law 115–141), not later than 1 year after the date of enactment of this Act, the Secretary shall issue regulations—

(1) to streamline the process for considering applications to locate or modify communications facilities on covered land;

(2) to ensure, to the maximum extent practicable, that the process is uniform and standardized across the organizational units of the Forest Service; and

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- (3) to require that the applications described in paragraph (1) be considered and granted on a competitively neutral, technology neutral, and non-discriminatory basis.
- (c) REQUIREMENTS.—The regulations issued under subsection (b) shall include the following:
- (1) Procedures for the tracking of applications described in subsection (b)(1), including—
- (A) identifying the number of applications—
- (i) received;
- (ii) approved; and
- (iii) denied;
- (B) in the case of an application that is denied, describing the reasons for the denial; and
- (C) describing the amount of time between the receipt of an application and the issuance of a final decision on an application.
- (2) Provision for minimum lease terms of not less than 15 years for leases with respect to the location of communications facilities on covered land.
- (3) A structure of fees for—
- (A) submitting an application described in subsection (b)(1), based on the cost to the Forest Service of considering such an application; and
- (B) issuing communications use authorizations, based on the cost to the Forest Service of any maintenance or other activities required to be performed by the Forest Service as a result of the location or modification of the communications facility.
- (4) Provision for prioritization or streamlining of the consideration of applications to locate or modify communications facilities on covered land in a previously disturbed right-of-way.
- (d) ADDITIONAL CONSIDERATIONS.—In issuing regulations under subsection (b), the Secretary shall consider—
- (1) how discrete reviews in considering an application described in subsection (b)(1) can be conducted simultaneously, rather than sequentially, by any organizational units of the Forest Service that must approve the location or modification; and
- (2) how to eliminate overlapping requirements among the organizational units of the Forest Service with respect to the location or modification of a communications facility on covered land administered by those organizational units.
- (e) COMMUNICATION OF STREAMLINED PROCESS TO ORGANIZATIONAL UNITS.—The Secretary shall, with respect to the regulations issued under subsection (b)—
- (1) communicate the regulations to the organizational units of the Forest Service; and
- (2) ensure that the organizational units of the Forest Service follow the regulations.
- (f) DEPOSIT AND AVAILABILITY OF FEES.—
- (1) SPECIAL ACCOUNT.—The Secretary of the Treasury shall establish a special account in the Treasury for the Forest Service for the deposit of fees collected by the Forest Service under subsection (c)(3) for communications use authorizations on covered land granted, issued, or executed by the Forest Service.

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(2) REQUIREMENTS FOR FEES COLLECTED.—Fees collected by the Forest Service under subsection (c)(3) shall be—

(A) based on the costs described in subsection (c)(3); and

(B) competitively neutral, technology neutral, and non-discriminatory with respect to other users of the communications site.

(3) DEPOSIT OF FEES.—Fees collected by the Forest Service under subsection (c)(3) shall be deposited in the special account established for the Forest Service under paragraph (1).

(4) AVAILABILITY OF FEES.—Amounts deposited in the special account for the Forest Service shall be available, to the extent and in such amounts as are provided in advance in appropriation Acts, to the Secretary to cover costs incurred by the Forest Service described in subsection (c)(3), including the following:

(A) Preparing needs assessments or other programmatic analyses necessary to designate communications sites and issue communications use authorizations.

(B) Developing management plans for communications sites.

(C) Training for management of communications sites.

(D) Obtaining or improving access to communications sites.

(5) NO ADDITIONAL APPROPRIATIONS AUTHORIZED.—Except as provided in paragraph (4), no other amounts are authorized to be appropriated to carry out this section.

(g) SAVINGS PROVISIONS.—

(1) REAL PROPERTY AUTHORITIES.—Nothing in this section, or the amendments made by this section, shall be construed as providing any executive agency with any new leasing or other real property authorities not existing prior to the date of enactment of this Act.

(2) EFFECT ON OTHER LAWS.—Nothing in this section, or the amendments made by this section, and no actions taken pursuant to this section, or the amendments made by this section, shall impact a decision or determination by any executive agency to sell, dispose of, declare excess or surplus, lease, reuse, or redevelop any Federal real property pursuant to title 40, United States Code, the Federal Assets Sale and Transfer Act of 2016 (40 U.S.C. 1303 note; Public Law 114–287), or any other law governing real property activities of the Federal Government. No agreement entered into pursuant to this section, or the amendments made by this section, may obligate the Federal Government to hold, control, or otherwise retain or use real property that may otherwise be deemed as excess, surplus, or that could otherwise be sold, leased, or redeveloped.

43 USC 1748d.

**SEC. 8706. REPORT ON WILDFIRE, INSECT INFESTATION, AND DISEASE PREVENTION ON FEDERAL LAND.**

Not later than 180 days after the date of the enactment of this Act and every year thereafter, the Secretary and the Secretary of Interior shall submit to the Committee on Agriculture of the House of Representatives, the Committee on Natural Resources of the House of Representatives, the Committee on Agriculture, Nutrition, and Forestry of the Senate, and the Committee on Energy and Natural Resources of the Senate a jointly written report on—

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- (1) the number of acres of Federal land treated by the Secretary or the Secretary of the Interior for wildfire, insect infestation, or disease prevention;
- (2) the number of acres of Federal land categorized as a high or extreme fire risk;
- (3) the total timber production from Federal land;
- (4) the number of acres and average fire intensity of wildfires affecting Federal land treated for wildfire, insect infestation, or disease prevention;
- (5) the number of acres and average fire intensity of wildfires affecting Federal land not treated for wildfire, insect infestation, or disease prevention;
- (6) the Federal response time for each fire on greater than 25,000 acres;
- (7) the number of miles of roads and trails on Federal land in need of maintenance;
- (8) the number of miles of roads on Federal land in need of decommissioning;
- (9) the maintenance backlog, as of the date of the report, for roads, trails, and recreational facilities on Federal land;
- (10) other measures needed to maintain, improve, or restore water quality on Federal land; and
- (11) other measures needed to improve ecosystem function or resiliency on Federal land.

**SEC. 8707. WEST FORK FIRE STATION.**

(a) DEFINITIONS.—In this section:

(1) COUNTY.—The term “County” means Dolores County, Colorado.

(2) WEST FORK FIRE STATION CONVEYANCE PARCEL.—The term “West Fork Fire Station Conveyance Parcel” means the parcel of approximately 3.61 acres of National Forest System land in the County, as depicted on the map entitled “Map for West Fork Fire Station Conveyance Parcel” and dated November 21, 2017.

(b) CONVEYANCE OF WEST FORK FIRE STATION CONVEYANCE PARCEL, DOLORES COUNTY, COLORADO.—

(1) IN GENERAL.—On receipt of a request from the County and subject to such terms and conditions as are mutually satisfactory to the Secretary and the County, including such additional terms as the Secretary determines to be necessary, the Secretary shall convey to the County without consideration all right, title, and interest of the United States in and to the West Fork Fire Station Conveyance Parcel.

(2) COSTS.—Any costs relating to the conveyance under paragraph (1), including processing and transaction costs, shall be paid by the County.

(3) USE OF LAND.—The land conveyed to the County under paragraph (1) shall be used by the County only for a fire station, related infrastructure, and roads to facilitate access to and through the West Fork Fire Station Conveyance Parcel.

(4) REVERSION.—If any portion of the land conveyed under paragraph (1) is used in a manner that is inconsistent with the use described in paragraph (3), the land shall, at the discretion of the Secretary, revert to the United States.

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**SEC. 8708. COMPETITIVE FORESTRY, NATURAL RESOURCES, AND ENVIRONMENTAL GRANTS PROGRAM.**

Section 1232 of the Food, Agriculture, Conservation, and Trade Act of 1990 (16 U.S.C. 582a–8) is amended—

(1) in subsection (a) by inserting “or forest restoration” after “research”; and

(2) by amending subsection (c) to read as follows:

“(c) PRIORITIES.—

“(1) RESEARCH.—In awarding the initial grants under subsection (a) the Secretary shall give priority to applicants who will use such grants for research concerning—

“(A) the biology of forest organisms, including physiology, genetic mechanisms, and biotechnology;

“(B) ecosystem function and management, including forest ecosystem research, biodiversity, forest productivity, pest management, water resources, and alternative silvicultural systems;

“(C) wood as a raw material, including forest products and harvesting;

“(D) human forest interactions, including outdoor recreation, public policy formulation, economics, sociology, and administrative behavior;

“(E) international trade, competition, and cooperation related to forest products;

“(F) alternative native crops, products, and services that can be produced from renewable natural resources associated with privately held forest lands;

“(G) viable economic production and marketing systems for alternative natural resource products and services;

“(H) economic and environmental benefits of various conservation practices on forest lands;

“(I) genetic tree improvement; and

“(J) market expansion.

“(2) FOREST RESTORATION.—Grants may be used to support programs that restore forest tree species native to American forests that may have suffered severe levels of mortality caused by non-native insects, plant pathogens, or others pests.

“(A) REQUIRED COMPONENT OF FOREST RESTORATION STRATEGY.—To receive a grant under this subsection, an eligible institution shall demonstrate that it offers a program with a forest restoration strategy that incorporates not less than one of the following components:

“(i) Collection and conservation of native tree genetic material.

“(ii) Production of propagules of native trees in numbers large enough for landscape scale restoration.

“(iii) Site preparation of former of native tree habitat.

“(iv) Planting of native tree seedlings.

“(v) Post-planting maintenance of native trees.

“(B) AWARD OF GRANTS.—The Secretary shall award competitive grants under this subsection based on the degree to which the applicant addresses the following criteria:

“(i) Risk posed to the forests of that State by non-native pests, as measured by such factors as the number of such pests present in the State.



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“(ii) The proportion of the State’s forest composed of species vulnerable to non-native pests present in the United States.

“(iii) The pests’ rate of spread via natural or human-assisted means.”.

## TITLE IX—ENERGY

### SEC. 9001. DEFINITIONS.

Section 9001 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8101) is amended—

(1) in paragraph (4)(A), by striking “agricultural materials” and inserting “agricultural materials, renewable chemicals.”;

(2) in paragraph (7)(A), by striking “into biofuels and biobased products; and” and inserting the following: “or an intermediate ingredient or feedstock of renewable biomass into any 1 or more, or a combination, of—

“(i) biofuels;

“(ii) renewable chemicals; or

“(iii) biobased products; and”;

(3) in paragraph (16)—

(A) in subparagraph (A)—

(i) in the matter preceding clause (i), by striking “(B)” and inserting “(C)”;

(ii) by striking “that—” in the matter preceding clause (i) and all that follows through the period at the end of clause (ii) and inserting “that produces usable energy from a renewable energy source.”;

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

(C) by inserting after subparagraph (A) the following:

“(B) INCLUSIONS.—The term ‘renewable energy system’ includes—

“(i) distribution components necessary to move energy produced by a system described in subparagraph (A) to the initial point of sale; and

“(ii) other components and ancillary infrastructure of a system described in subparagraph (A), such as a storage system.”.

### SEC. 9002. BIOBASED MARKETS PROGRAM.

Section 9002 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8102) is amended—

(1) in subsection (b)(2)(A), by adding at the end the following:

“(iii) RENEWABLE CHEMICALS.—Not later than 180 days after the date of enactment of this clause, the Secretary shall update the criteria issued under clause (i) to provide criteria for determining which renewable chemicals may qualify to receive the label under paragraph (1).”;

(2) by amending subsection (f) to read as follows:

“(f) MANUFACTURERS OF RENEWABLE CHEMICALS AND BIOBASED PRODUCTS.—

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“(1) NAICS CODES.—The Secretary and the Secretary of Commerce shall jointly develop North American Industry Classification System codes for—

- “(A) renewable chemicals manufacturers; and
- “(B) biobased products manufacturers.

“(2) NATIONAL TESTING CENTER REGISTRY.—The Secretary shall establish a national registry of testing centers for biobased products that will serve biobased product manufacturers.”;

(3) by redesignating subsections (h) through (j) as subsections (j) through (l), respectively;

(4) by inserting after subsection (g) the following:

“(h) STREAMLINING.—

“(1) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, the Secretary shall establish guidelines for an integrated process under which biobased products may be, in 1 expedited approval process—

“(A) determined to be eligible for a Federal procurement preference under subsection (a); and

“(B) approved to use the ‘USDA Certified Biobased Product’ label under subsection (b).

“(2) INITIATION.—The Secretary shall ensure that a review of a biobased product under the integrated qualification process established pursuant to paragraph (1) may be initiated on receipt of a recommendation or petition from a manufacturer, vendor, or other interested party.

“(3) PRODUCT DESIGNATIONS.—The Secretary may issue a product designation pursuant to subsection (a)(3)(B), or approve the use of the ‘USDA Certified Biobased Product’ label under subsection (b), through streamlined procedures, which shall not be subject to chapter 7 of title 5, United States Code.

“(i) REQUIREMENT OF PROCURING AGENCIES.—A procuring agency (as defined in subsection (a)(1)) shall not establish regulations, guidance, or criteria regarding the procurement of biobased products, pursuant to this section or any other law, that impose limitations on that procurement that are more restrictive than the limitations established by the Secretary under the regulations to implement this section.”;

(5) in subsection (k) (as so redesignated)—

(A) in paragraph (1), by striking “2018” and inserting “2023”; and

(B) in paragraph (2), by striking “\$2,000,000 for each of fiscal years 2014 through 2018” and inserting “\$3,000,000 for each of fiscal years 2019 through 2023”; and

(6) by adding at the end the following:

“(m) RURAL DEVELOPMENT MISSION AREA.—In carrying out this section, except as provided in subsection (g), the Secretary shall act through the rural development mission area.”.

#### **SEC. 9003. BIOREFINERY ASSISTANCE.**

Section 9003 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8103) is amended—

(1) in subsection (b)(3)—

(A) in subparagraph (A), by striking “produces an advanced biofuel; and” and inserting the following: “produces any 1 or more, or a combination, of—

“(i) an advanced biofuel;

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- “(ii) a renewable chemical; or  
 “(iii) a biobased product; and”; and
- (B) in subparagraph (B), by striking “produces an advanced biofuel.” and inserting the following: “produces any 1 or more, or a combination, of—  
 “(i) an advanced biofuel;  
 “(ii) a renewable chemical; or  
 “(iii) a biobased product.”; and
- (2) in subsection (g)—  
 (A) in paragraph (1)(A)—  
 (i) in clause (i), by striking “and” at the end;  
 (ii) in clause (ii), by striking the period at the end and inserting a semicolon; and  
 (iii) by adding at the end the following:  
 “(iii) \$50,000,000 for fiscal year 2019; and  
 “(iv) \$25,000,000 for fiscal year 2020.”; and  
 (B) in paragraph (2), by striking “2018” and inserting “2023”.

**SEC. 9004. REPOWERING ASSISTANCE PROGRAM.**

Section 9004 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8104) is repealed.

**SEC. 9005. BIOENERGY PROGRAM FOR ADVANCED BIOFUELS.**

Section 9005 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8105) is amended—

- (1) in subsection (e)—  
 (A) by striking “The Secretary may” and inserting the following new paragraph:  
 “(1) AMOUNT.—The Secretary shall”; and  
 (B) by adding at the end the following new paragraph:  
 “(2) FEEDSTOCK.—The total amount of payments made in a fiscal year under this section to one or more eligible producers for the production of advanced biofuels derived from a single eligible commodity, including intermediate ingredients of that single commodity or use of that single commodity and its intermediate ingredients in combination with another commodity, shall not exceed one-third of the total amount of funds made available under subsection (g).”; and
- (2) in subsection (g)—  
 (A) in paragraph (1)—  
 (i) in subparagraph (D), by striking “and” at the end;  
 (ii) in subparagraph (E), by striking the period at the end and inserting “; and”; and  
 (iii) by adding at the end the following:  
 “(F) \$7,000,000 for each of fiscal years 2019 through 2023.”; and  
 (B) in paragraph (2), by striking “2014 through 2018” and inserting “2019 through 2023”.

**SEC. 9006. BIODIESEL FUEL EDUCATION PROGRAM.**

Section 9006(d) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8106(d)) is amended to read as follows:

“(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$2,000,000 for each of fiscal years 2019 through 2023.”.

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**SEC. 9007. RURAL ENERGY FOR AMERICA PROGRAM.**

Section 9007 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107) is amended—

(1) in subsection (c)—

(A) by amending paragraph (1) to read as follows:

“(1) IN GENERAL.—

“(A) ASSISTANCE.—In addition to any similar authority, the Secretary shall provide—

“(i) loan guarantees and grants to agricultural producers and rural small businesses—

“(I) to purchase renewable energy systems, including systems that may be used to produce and sell electricity; and

“(II) to make energy efficiency improvements;

and

“(ii) loan guarantees to agricultural producers to purchase and install energy efficient equipment or systems for agricultural production or processing that exceed—

“(I) energy efficiency building codes, if applicable;

“(II) Federal or State energy efficiency standards, if applicable; and

“(III) other energy efficiency standards determined appropriate by the Secretary.

“(B) LIMITATIONS.—With respect to loan guarantees under subparagraph (A)(ii)—

“(i) if no codes or standards described in such subparagraph apply to the energy efficient equipment or system to be purchased or installed pursuant to such subparagraph, the Secretary shall require, to the maximum extent practicable, such equipment or system to meet the same efficiency measurements as the most efficient available equipment or system in the market; and

“(ii) the Secretary shall not provide such a loan guarantee for the purchase or installation of any energy efficient equipment or system unless more than one type of such equipment or system is available in the market.”; and

(B) in paragraph (3), by adding at the end the following:

“(D) LOAN GUARANTEES FOR ENERGY EFFICIENT EQUIPMENT TO AGRICULTURAL PRODUCERS.—Using funds made available under paragraphs (1) and (3) of subsection (f), in each fiscal year the Secretary may use for loan guarantees under paragraph (1)(A)(ii) an amount that does not exceed 15 percent of such funds.”;

(2) in subsection (e), by striking “subsection (g)” each place it appears and inserting “subsection (f)”;

(3) by striking subsection (f) and redesignating subsection (g) as subsection (f); and

(4) in subsection (f)(3) (as so redesignated), by striking “2014 through 2018” and inserting “2019 through 2023”.

**SEC. 9008. RURAL ENERGY SELF-SUFFICIENCY INITIATIVE.**

Section 9009 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8109) is repealed.

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**SEC. 9009. FEEDSTOCK FLEXIBILITY.**

Section 9010(b) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8110(b)) is amended—

- (1) in paragraph (1)(A), by striking “2018” and inserting “2023”; and
- (2) in paragraph (2)(A), by striking “2018” and inserting “2023”.

**SEC. 9010. BIOMASS CROP ASSISTANCE PROGRAM.**

Section 9011 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8111) is amended—

- (1) in subsection (a)(6)—
  - (A) in subparagraph (B)—
    - (i) in clause (ii)(II), by striking “and” at the end;
    - (ii) in clause (iii), by striking the period at the end and inserting “; and”; and
    - (iii) by adding at the end the following:
      - “(iv) algae.”; and
  - (B) in subparagraph (C)—
    - (i) by striking clause (iv); and
    - (ii) by redesignating clauses (v) through (vii) as clauses (iv) through (vi), respectively; and
- (2) in subsection (f)—
  - (A) by amending paragraph (1) to read as follows:
    - “(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$25,000,000 for each of fiscal years 2019 through 2023.”; and
    - (B) by amending paragraph (3) to read as follows:
      - “(3) TECHNICAL ASSISTANCE.—Effective for fiscal year 2014 and each subsequent fiscal year, funds made available under this subsection shall be available for the provision of technical assistance with respect to activities authorized under this section.”.

**SEC. 9011. CARBON UTILIZATION AND BIOGAS EDUCATION PROGRAM.**

Title IX of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8101 et seq.) is amended by adding at the end the following:

**“SEC. 9014. CARBON UTILIZATION AND BIOGAS EDUCATION PROGRAM. 7 USC 8115.**

“(a) DEFINITIONS.—In this section:

“(1) CARBON DIOXIDE.—The term ‘carbon dioxide’ means carbon dioxide that is produced as a byproduct of the production of a biobased product.

“(2) ELIGIBLE ENTITY.—The term ‘eligible entity’ means an entity that—

“(A) is—

“(i) an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of that Code; or

“(ii) an institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)));

“(B) has demonstrated knowledge about—

“(i) sequestration and utilization of carbon dioxide;

or

“(ii) aggregation of organic waste from multiple sources into a single biogas system; and

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“(C) has a demonstrated ability to conduct educational and technical support programs.

“(b) ESTABLISHMENT.—The Secretary, in consultation with the Secretary of Energy, shall make competitive grants to eligible entities—

“(1) to provide education to the public about the economic and emissions benefits of permanent sequestration or utilization of carbon dioxide with a primary objective of providing benefits and opportunities for rural businesses, rural communities, and utilities serving rural communities; or

“(2) to provide education to agricultural producers and other stakeholders about opportunities for aggregation of organic waste from multiple sources into a single biogas system.

“(c) FUNDING.—There are authorized to be appropriated for each of fiscal years 2019 through 2023—

“(1) \$1,000,000 to carry out subsection (b)(1); and

“(2) \$1,000,000 to carry out subsection (b)(2).”.

## TITLE X—HORTICULTURE

### SEC. 10101. SPECIALTY CROPS MARKET NEWS ALLOCATION.

Section 10107(b) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 1622b(b)) is amended by striking “2018” and inserting “2023”.

7 USC 1627c  
note.

### SEC. 10102. LOCAL AGRICULTURE MARKET PROGRAM.

(a) PURPOSE.—The purpose of this section is to combine the purposes and coordinate the functions, as in effect on the day before the date of enactment of this Act, of—

(1) the Farmers’ Market and Local Food Promotion Program established under section 6 of the Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3005); and

(2) the value-added agricultural product market development grants under section 231(b) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1632a(b)).

(b) LOCAL AGRICULTURE MARKET PROGRAM.—Subtitle A of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621 et seq.) is amended by adding at the end the following:

7 USC 1627c.

### “SEC. 210A. LOCAL AGRICULTURE MARKET PROGRAM.

“(a) DEFINITIONS.—In this section:

“(1) BEGINNING FARMER OR RANCHER.—The term ‘beginning farmer or rancher’ has the meaning given the term in section 343(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)).

“(2) DIRECT PRODUCER-TO-CONSUMER MARKETING.—The term ‘direct producer-to-consumer marketing’ has the meaning given the term ‘direct marketing from farmers to consumers’ in section 3 of the Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3002).

“(3) FAMILY FARM.—The term ‘family farm’ has the meaning given the term in section 231(a) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1632a(a)).

“(4) FOOD COUNCIL.—The term ‘food council’ means a food policy council or food and farm system network, as determined by the Secretary, that—

“(A) represents—



“(i) multiple organizations involved in the production, processing, and consumption of food; and

“(ii) local, Tribal, or State governments; and

“(B) addresses food and farm-related issues and needs within city, county, State, Tribal region, multicounty region, or other region designated by the food council or food system network.

“(5) MAJORITY-CONTROLLED PRODUCER-BASED BUSINESS VENTURE.—

“(A) IN GENERAL.—The term ‘majority-controlled producer-based business venture’ means a venture greater than 50 percent of the ownership and control of which is held by—

“(i) 1 or more producers; or

“(ii) 1 or more entities, 100 percent of the ownership and control of which is held by 1 or more producers.

“(B) ENTITY DESCRIBED.—For purposes of subparagraph (A), the term ‘entity’ means—

“(i) a partnership;

“(ii) a limited liability corporation;

“(iii) a limited liability partnership; and

“(iv) a corporation.

“(6) MID-TIER VALUE CHAIN.—The term ‘mid-tier value chain’ means a local or regional supply network that links independent producers with businesses and cooperatives that market value-added agricultural products in a manner that—

“(A) targets and strengthens the profitability and competitiveness of small and medium-sized farms and ranches that are structured as a family farm; and

“(B) obtains agreement from an eligible agricultural producer group, farmer or rancher cooperative, or majority-controlled producer-based business venture that is engaged in the value chain on a marketing strategy.

“(7) PARTNERSHIP.—The term ‘partnership’ means a partnership entered into under an agreement between—

“(A) 1 or more eligible partners (as defined in subsection (e)(1)); and

“(B) 1 or more eligible entities (as defined in subsection (e)(1)).

“(8) PROGRAM.—The term ‘Program’ means the Local Agriculture Market Program established under subsection (b).

“(9) REGIONAL FOOD CHAIN COORDINATION.—The term ‘regional food chain coordination’ means coordination and collaboration along the supply chain to increase connections between producers and markets.

“(10) SECRETARY.—The term ‘Secretary’ means the Secretary of Agriculture.

“(11) SOCIALLY DISADVANTAGED FARMER OR RANCHER.—The term ‘socially disadvantaged farmer or rancher’ has the meaning given the term in section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e)).

“(12) VALUE-ADDED AGRICULTURAL PRODUCT.—The term ‘value-added agricultural product’ means any agricultural commodity or product that—

“(A)(i) has undergone a change in physical state;

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“(ii) was produced in a manner that enhances the value of the agricultural commodity or product, as demonstrated through a business plan that shows the enhanced value, as determined by the Secretary;

“(iii) is physically segregated in a manner that results in the enhancement of the value of the agricultural commodity or product;

“(iv) is a source of farm- or ranch-based renewable energy, including E–85 fuel; or

“(v) is aggregated and marketed as a locally produced agricultural food product; and

“(B) as a result of the change in physical state or the manner in which the agricultural commodity or product was produced, marketed, or segregated—

“(i) the customer base for the agricultural commodity or product is expanded; and

“(ii) a greater portion of the revenue derived from the marketing, processing, or physical segregation of the agricultural commodity or product is available to the producer of the commodity or product.

“(13) VETERAN FARMER OR RANCHER.—The term ‘veteran farmer or rancher’ has the meaning given the term in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)).

“(b) ESTABLISHMENT AND PURPOSE.—The Secretary shall establish a program, to be known as the ‘Local Agriculture Market Program’, that—

“(1) supports the development, coordination, and expansion of—

“(A) direct producer-to-consumer marketing;

“(B) local and regional food markets and enterprises;

and

“(C) value-added agricultural products;

“(2) connects and cultivates regional food economies through public-private partnerships;

“(3) supports the development of business plans, feasibility studies, and strategies for value-added agricultural production and local and regional food system infrastructure;

“(4) strengthens capacity and regional food system development through community collaboration and expansion of mid-tier value chains;

“(5) improves income and economic opportunities for producers and food businesses through job creation; and

“(6) simplifies the application processes and the reporting processes for the Program.

“(c) ADMINISTRATION.—In administering the Program, the Secretary shall—

“(1) streamline the Program to better support the activities carried out by the recipient of a grant under the Program;

“(2) connect producers with local food markets and value-added agricultural product opportunities;

“(3) partner with cooperative extension services, as appropriate, to provide Program technical assistance and outreach to Program stakeholders; and

“(4) ensure that the Rural Business-Cooperative Service and Agricultural Marketing Service provide Program technical assistance and outreach to Program stakeholders.

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## “(d) GRANTS.—

“(1) IN GENERAL.—Under the Program, the Secretary may, using funds made available under subsection (i), provide grants for each of fiscal years 2019 through 2023, in accordance with the purposes of the Program described in subsection (b), for the conduct of activities described in paragraph (2).

“(2) ELIGIBLE ACTIVITIES.—The recipient of a grant may use a grant provided under paragraph (1)—

“(A) to support and promote—

“(i) domestic direct producer-to-consumer marketing;

“(ii) farmers’ markets;

“(iii) roadside stands;

“(iv) agritourism activities,

“(v) community-supported agriculture programs; or

“(vi) online sales;

“(B) to support local and regional food business enterprises that engage as intermediaries in indirect producer-to-consumer marketing;

“(C) to support the processing, aggregation, distribution, and storage of—

“(i) local and regional food products that are marketed locally or regionally; and

“(ii) value-added agricultural products;

“(D) to encourage the development of value-added agricultural products;

“(E) to assist with business development plans and feasibility studies;

“(F) to develop marketing strategies for producers of local food products and value-added agricultural products in new and existing markets;

“(G) to facilitate regional food chain coordination and mid-tier value chain development;

“(H) to promote new business opportunities and marketing strategies to reduce on-farm food waste;

“(I) to respond to changing technology needs in direct producer-to-consumer marketing; or

“(J) to cover expenses relating to costs incurred in—

“(i) obtaining food safety certification; and

“(ii) making changes and upgrades to practices and equipment to improve food safety.

## “(3) CRITERIA AND GUIDELINES.—

“(A) IN GENERAL.—The Secretary shall establish criteria and guidelines for the submission, evaluation, and funding of proposed projects under paragraph (1) as the Secretary determines are appropriate.

“(B) PRODUCER OR FOOD BUSINESS BENEFITS.—

“(i) IN GENERAL.—Except as provided in clause (ii), an application submitted for a grant under paragraph (1) shall include a description of the direct or indirect producer or food business benefits intended by the applicant to result from the proposed project within a reasonable period of time after the receipt of the grant.

“(ii) EXCEPTION.—Clause (i) shall not apply to a planning or feasibility project.

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“(4) AMOUNT.—Unless otherwise determined by the Secretary, the amount of a grant under this subsection shall be not more than \$500,000.

“(5) VALUE-ADDED PRODUCER GRANTS.—In the case of a grant provided under paragraph (1) to an eligible entity described in subparagraph (B), the following shall apply:

“(A) ADMINISTRATION.—The Secretary shall carry out this subsection through the Administrator of the Rural Business-Cooperative Service, in coordination with the Administrator of the Agricultural Marketing Service.

“(B) ELIGIBLE ENTITIES.—An entity shall be eligible for a grant under this paragraph if the entity is—

“(i) an independent producer (as determined by the Secretary) of a value-added agricultural product; or

“(ii) an agricultural producer group, farmer or rancher cooperative, or majority-controlled producer-based business venture (as determined by the Secretary).

“(C) PRIORITIES.—The Secretary shall give priority to applications—

“(i) in the case of an application submitted by a producer, that are submitted by, or serve—

“(I) beginning farmers or ranchers;

“(II) socially disadvantaged farmers or ranchers;

“(III) operators of small or medium sized farms or ranches that are structured as family farms; or

“(IV) veteran farmers or ranchers; and

“(ii) in the case of an application submitted by an eligible entity described in subparagraph (B)(ii), that provide the greatest contribution to creating or increasing marketing opportunities for producers described in subclauses (I) through (IV) of clause (i).

“(D) LIMITATION ON USE OF FUNDS.—

“(i) IN GENERAL.—Except as provided in clause (ii), an eligible entity described in subparagraph (B) may not use a grant for the purchase or construction of a building, general purpose equipment, or structure.

“(ii) EXCEPTION.—An eligible entity described in subparagraph (B) may use not more than \$6,500 of the amount of a grant for an eligible activity described in paragraph (2)(J) to purchase or upgrade equipment to improve food safety.

“(E) MATCHING FUNDS.—An eligible entity described in subparagraph (B) receiving a grant shall contribute an amount of non-Federal funds that is at least equal to the amount of Federal funds received.

“(6) FARMERS’ MARKETS AND LOCAL FOOD PROMOTION PROGRAM.—In the case of a grant provided under paragraph (1) to an eligible entity described in subparagraph (B), the following shall apply:

“(A) ADMINISTRATION.—The Secretary shall carry out this subsection through the Administrator of the Agricultural Marketing Service, in coordination with the Administrator of the Rural Business-Cooperative Service.

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“(B) ELIGIBLE ENTITIES.—An entity shall be eligible to receive a grant under this paragraph if the entity is—

“(i) an agricultural cooperative or other agricultural business entity or a producer network or association, including a community-supported agriculture network or association;

“(ii) a local or Tribal government;

“(iii) a nonprofit corporation;

“(iv) a public benefit corporation;

“(v) an economic development corporation;

“(vi) a regional farmers’ market authority;

“(vii) a food council; or

“(viii) such other entity as the Secretary may designate.

“(C) PRIORITIES.—The Secretary shall give priority to applications that—

“(i) benefit underserved communities, including communities that are located in areas of concentrated poverty with limited access to fresh locally or regionally grown food; or

“(ii) are used to carry out eligible activities under a partnership agreement under subsection (e) and have not received benefits from the Program in the recent past.

“(D) LIMITATION ON USE OF FUNDS.—

“(i) IN GENERAL.—Except as provided in clause (ii), an eligible entity described in subparagraph (B) may not use a grant for the purchase or construction of a building, general purpose equipment, or structure.

“(ii) EXCEPTION.—An eligible entity described in subparagraph (B) may use not more than \$6,500 of the amount of a grant for an eligible activity described in paragraph (2)(J) to purchase or upgrade equipment to improve food safety.

“(E) MATCHING FUNDS.—An eligible entity described in subparagraph (B) receiving a grant shall provide matching funds in the form of cash or an in-kind contribution in an amount that is equal to 25 percent of the total amount of the Federal portion of the grant.

“(e) PARTNERSHIPS.—

“(1) DEFINITIONS.—In this subsection:

“(A) ELIGIBLE ENTITY.—The term ‘eligible entity’ means—

“(i) a producer;

“(ii) a producer network or association;

“(iii) a farmer or rancher cooperative;

“(iv) a majority-controlled producer-based business venture;

“(v) a food council;

“(vi) a local or Tribal government;

“(vii) a nonprofit corporation;

“(viii) an economic development corporation;

“(ix) a public benefit corporation;

“(x) a community-supported agriculture network or association; and

“(xi) a regional farmers’ market authority.

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“(B) ELIGIBLE PARTNER.—The term ‘eligible partner’ means—

“(i) a State agency or regional authority;

“(ii) a philanthropic organization;

“(iii) a private corporation;

“(iv) an institution of higher education;

“(v) a commercial, Federal, or Farm Credit System lending institution; and

“(vi) another entity, as determined by the Secretary.

“(2) GRANTS TO SUPPORT PARTNERSHIPS.—

“(A) IN GENERAL.—The Secretary, acting through the Administrator of the Agricultural Marketing Service, in accordance with the purposes of the Program described in subsection (b), shall, using funds made available under subsection (i), provide grants for each of fiscal years 2019 through 2023 to support partnerships to plan and develop a local or regional food system.

“(B) GEOGRAPHICAL DIVERSITY.—To the maximum extent practicable, the Secretary shall ensure geographical diversity in selecting partnerships to receive grants under subparagraph (A).

“(3) AUTHORITIES OF PARTNERSHIPS.—A partnership receiving a grant under paragraph (2) may—

“(A) determine the scope of the regional food system to be developed, including goals, outreach objectives, and eligible activities to be carried out;

“(B) determine the local, regional, State, multi-State, or other geographic area covered;

“(C) create and conduct a feasibility study, implementation plan, and assessment of eligible activities under the partnership agreement;

“(D) conduct outreach and education to other eligible entities and eligible partners for potential participation in the partnership agreement and eligible activities;

“(E) describe measures to be taken through the partnership agreement to obtain funding for the eligible activities to be carried out under the partnership agreement;

“(F) at the request of a producer or eligible entity desiring to participate in eligible activities under the partnership agreement, act on behalf of the producer or eligible entity in applying for a grant under subsection (d);

“(G) monitor, evaluate, and periodically report to the Secretary on progress made toward achieving the objectives of eligible activities under the partnership agreement; or

“(H) at the conclusion of the partnership agreement, submit to the Secretary a report describing—

“(i) the results and effects of the partnership agreement; and

“(ii) funds provided under paragraph (4).

“(4) CONTRIBUTION.—A partnership receiving a grant under paragraph (2) shall provide funding in an amount equal to not less than 25 percent of the total amount of the Federal portion of the grant.

“(5) APPLICATIONS.—

“(A) IN GENERAL.—To be eligible to receive a grant under paragraph (2), a partnership shall submit to the



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Secretary an application at such time, in such manner, and containing such information as the Secretary considers necessary to evaluate and select applications.

“(B) COMPETITIVE PROCESS.—The Secretary—

“(i) shall conduct a competitive process to select applications submitted under subparagraph (A);

“(ii) may assess and rank applications with similar purposes as a group; and

“(iii) shall make public the criteria to be used in evaluating applications prior to accepting applications.

“(C) PRIORITY TO CERTAIN APPLICATIONS.—The Secretary may give priority to applications submitted under subparagraph (A) that—

“(i)(I) leverage significant non-Federal financial and technical resources; and

“(II) coordinate with other local, State, Tribal, or national efforts;

“(ii) cover an area that includes distressed low-income rural or urban communities, including areas with persistent poverty; or

“(iii) have multiple entities and partners in a partnership.

“(D) PRODUCER OR FOOD BUSINESS BENEFITS.—

“(i) IN GENERAL.—Except as provided in clause (ii), an application submitted under subparagraph (A) shall include a description of the direct or indirect producer or food business benefits intended by the eligible entity to result from the proposed project within a reasonable period of time after the receipt of a grant.

“(ii) EXCEPTION.—Clause (i) shall not apply to a planning or feasibility project.

“(6) TECHNICAL ASSISTANCE.—On request of an eligible entity, an eligible partner, or a partnership, the Secretary may provide technical assistance in carrying out a partnership agreement.

“(f) SIMPLIFICATION OF APPLICATION AND REPORTING PROCESSES.—

“(1) APPLICATIONS.—The Secretary shall establish a simplified application form for eligible entities that—

“(A) request less than \$50,000 under subsection (d);

or

“(B) apply for grants under subsection (d) under a single application through partnership agreements under subsection (e).

“(2) REPORTING.—The Secretary shall—

“(A) streamline and simplify the reporting process for eligible entities; and

“(B) obtain from eligible entities and maintain such information as the Secretary determines is necessary to administer and evaluate the Program.

“(g) INTERDEPARTMENTAL COORDINATION.—In carrying out the Program, to the maximum extent practicable, the Secretary shall ensure coordination among Federal agencies.

“(h) EVALUATION.—

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“(1) IN GENERAL.—Using amounts made available under subsection (i)(3)(E), the Secretary shall conduct an evaluation of the Program that—

“(A) measures the economic impact of the Program on new and existing market outcomes;

“(B) measures the effectiveness of the Program in improving and expanding—

“(i) the regional food economy through public and private partnerships;

“(ii) the production of value-added agricultural products;

“(iii) producer-to-consumer marketing, including direct producer-to-consumer marketing;

“(iv) local and regional food systems, including regional food chain coordination and business development;

“(v) new business opportunities and marketing strategies to reduce on-farm food waste;

“(vi) the use of new technologies in producer-to-consumer marketing, including direct producer-to-consumer marketing; and

“(vii) the workforce and capacity of regional food systems; and

“(C) provides a description of—

“(i) each partnership agreement; and

“(ii) each grant provided under subsection (d).

“(2) REPORT.—Not later than 4 years after the date of enactment of this section, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the evaluation conducted under paragraph (1), including a thorough analysis of the outcomes of the evaluation.

“(i) FUNDING.—

“(1) MANDATORY FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section \$50,000,000 for fiscal year 2019 and each fiscal year thereafter, to remain available until expended.

“(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$20,000,000 for fiscal year 2019 and each fiscal year thereafter, to remain available until expended.

“(3) ALLOCATION OF FUNDS.—

“(A) VALUE-ADDED PRODUCER GRANTS.—

“(i) IN GENERAL.—Subject to clause (ii), of the funds made available to carry out this section for a fiscal year, 35 percent shall be used for grants under subsection (d)(5).

“(ii) RESERVATION OF FUNDS.—

“(I) MAJORITY-CONTROLLED PRODUCER-BASED BUSINESS VENTURES.—The total amount of grants under subsection (d)(5) provided to majority-controlled producer-based business ventures for a fiscal year shall not exceed 10 percent of the amount allocated under clause (i).

“(II) BEGINNING, VETERAN, AND SOCIALLY DISADVANTAGED FARMERS AND RANCHERS.—Of the

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funds made available for grants under subsection (d)(5), 10 percent shall be reserved for grants provided to beginning, veteran, and socially disadvantaged farmers or ranchers.

“(III) MID-TIER VALUE CHAINS.—Of the funds made available for grants under subsection (d)(5), 10 percent shall be reserved for grants to develop mid-tier value chains.

“(IV) FOOD SAFETY ASSISTANCE.—Of the funds made available for grants under subsection (d)(5), not more than 25 percent shall be reserved for grants for eligible activities described in subsection (d)(2)(J).

“(B) FARMERS’ MARKET AND LOCAL FOOD PROMOTION GRANTS.—Of the funds made available to carry out this section for a fiscal year, 47 percent shall be used for grants under subsection (d)(6).

“(C) REGIONAL PARTNERSHIPS.—Of the funds made available to carry out this section for a fiscal year, 10 percent shall be used to provide grants to support partnerships under subsection (e).

“(D) UNOBLIGATED FUNDS.—Any funds under subparagraph (A), (B), or (C) that are not obligated for the uses described in that subparagraph, as applicable, by September 30 of the fiscal year for which the funds were made available—

“(i) shall be available to the agency carrying out the Program with the unobligated funds to carry out any function of the Program, as determined by the Secretary; and

“(ii) may carry over to the next fiscal year.

“(E) ADMINISTRATIVE EXPENSES.—Not greater than 8 percent of amounts made available to provide grants under subsections (d) and (e) for a fiscal year may be used for administrative expenses.”.

(c) CONFORMING AMENDMENTS.—

(1) AGRICULTURAL MARKETING RESOURCE CENTER PILOT PROJECT.—Section 231 of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1632a) is amended—

(A) by striking the section heading and inserting “agricultural marketing resource center pilot project.”;

(B) by striking subsections (a), (b), (d), and (e);

(C) in subsection (c)—

(i) by redesignating paragraphs (1) and (2) as subsections (a) and (b), respectively, and indenting appropriately; and

(ii) by striking the subsection designation and heading;

(D) in subsection (a) (as so redesignated)—

(i) in the matter preceding subparagraph (A), by striking “Notwithstanding” and all that follows through “paragraph (2)” and inserting the following: “The Secretary shall not use more than 2.5 percent of the funds made available to carry out the Local Agriculture Market Program established under section 210A of the Agricultural Marketing Act of 1946 to establish

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a pilot project (to be known as the ‘Agricultural Marketing Resource Center’) at an eligible institution described in subsection (b)’; and

(ii) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively, and indenting appropriately; and

(E) in subsection (b) (as so redesignated)—

(i) by redesignating subparagraphs (A) through (C) as paragraphs (1) through (3), respectively, and indenting appropriately; and

(ii) in paragraph (1) (as so redesignated), by striking “paragraph (1)(A)” and inserting “subsection (a)(1)”.

(2) **AGRICULTURE INNOVATION CENTER DEMONSTRATION PROGRAM.**—Section 6402(f) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1632b(f)) is amended in the matter preceding paragraph (1) by striking “section 231(d) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1621 note; Public Law 106–224)” and inserting “section 210A(d)(2) of the Agricultural Marketing Act of 1946”.

(3) **LOCAL FOOD PRODUCTION AND PROGRAM EVALUATION.**—Section 10016(b)(3)(B) of the Agricultural Act of 2014 (7 U.S.C. 2204h(b)(2)(B)) is amended by striking “Farmers’ Market and Local Food Promotion Program established under section 6 of the Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3005)” and inserting “Local Agriculture Market Program established under section 210A of the Agricultural Marketing Act of 1946”.

(4) **PROGRAM METRICS.**—Section 6209(a) of the Agricultural Act of 2014 (7 U.S.C. 2207b(a)) is amended by striking paragraph (1) and inserting the following:

“(1) section 210A of the Agricultural Marketing Act of 1946;”.

(5) **FARMER-TO-CONSUMER DIRECT MARKETING ACT OF 1976.**—

(A) Section 4 of the Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3003) is amended—

(i) by striking “The Secretary” and inserting the following:

“(a) **IN GENERAL.**—The Secretary”; and

(ii) by adding at the end the following:

“(b) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated such sums as are necessary to carry out this section.”.

(B) Sections 6, 7, and 8 of the Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3005, 3006; 90 Stat. 1983) are repealed.

**SEC. 10103. ORGANIC PRODUCTION AND MARKET DATA INITIATIVES.**

Section 7407(d) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 5925c(d)) is amended—

(1) in paragraph (1)—

(A) in the paragraph heading, by striking “THROUGH FISCAL YEAR 2012”; and

(B) by striking “\$5,000,000, to remain available until expended.” and inserting the following: “, to remain available until expended—

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“(A) \$5,000,000 for each of the periods of fiscal years 2008 through 2012 and 2014 through 2018; and

“(B) \$5,000,000 for the period of fiscal years 2019 through 2023.”;

(2) by striking paragraph (2);

(3) by redesignating paragraph (3) as paragraph (2); and

(4) in paragraph (2) (as so redesignated)—

(A) by striking “paragraphs (1) and (2)” and inserting “paragraph (1)”; and

(B) by striking “2018” and inserting “2023”.

**SEC. 10104. ORGANIC CERTIFICATION.**

7 USC 6503 note.

(a) **EXCLUSIONS FROM CERTIFICATION.**—Not later than 1 year after the date of enactment of this Act, the Secretary shall issue regulations to limit the type of organic operations that are excluded from certification under section 205.101 of title 7, Code of Federal Regulations, and from certification under any other related sections under part 205 of title 7, Code of Federal Regulations.

(b) **DEFINITIONS.**—Section 2103 of the Organic Foods Production Act of 1990 (7 U.S.C. 6502) is amended—

(1) in paragraph (3)—

(A) by striking “The term” and inserting the following:

“(A) **IN GENERAL.**—The term”; and

(B) by adding at the end the following:

“(B) **FOREIGN OPERATIONS.**—When used in the context of a certifying agent operating in a foreign country, the term ‘certifying agent’ includes any person (including a private entity)—

“(i) accredited in accordance with section 2115(d);

or

“(ii) accredited by a foreign government that acted under an equivalency agreement negotiated between the United States and the foreign government from which the agricultural product is imported.”;

(2) by redesignating paragraphs (13) through (21) as paragraphs (14) through (22), respectively; and

(3) by inserting after paragraph (12) the following:

“(13) **NATIONAL ORGANIC PROGRAM IMPORT CERTIFICATE.**—

The term ‘national organic program import certificate’ means a form developed for purposes of the program under this title—

“(A) to provide documentation sufficient to verify that an agricultural product imported for sale in the United States satisfies the requirement under section 2115(c);

“(B) which shall include, at a minimum, information sufficient to indicate, with respect to the agricultural product—

“(i) the origin;

“(ii) the destination;

“(iii) the certifying agent issuing the national organic program import certificate;

“(iv) the harmonized tariff code, if a harmonized tariff code exists for the agricultural product;

“(v) the total weight; and

“(vi) the organic standard to which the agricultural product is certified; and

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“(C) that is not more than otherwise required under an equivalency agreement negotiated between the United States and the foreign government.”.

(c) ACCREDITATION PROGRAM.—Section 2115 of the Organic Foods Production Act of 1990 (7 U.S.C. 6514) is amended by striking subsection (c) and inserting the following:

“(c) ADDITIONAL DOCUMENTATION AND VERIFICATION.—The Secretary, acting through the Deputy Administrator of the national organic program established under this title, has the authority, and shall grant a certifying agent the authority, to require producers and handlers to provide additional documentation or verification before granting a certification under section 2104, in the case of a compliance risk with respect to meeting the national standards for organic production established under section 2105, as determined by the Secretary or the certifying agent.

“(d) ACCREDITATION OF FOREIGN ORGANIC CERTIFICATION PROGRAM.—

“(1) IN GENERAL.—For an agricultural product being imported into the United States to be represented as organically produced, the Secretary shall require the agricultural product to be accompanied by a complete and valid national organic import certificate, which shall be available as an electronic record.

“(2) TRACKING SYSTEM.—

“(A) IN GENERAL.—The Secretary shall establish a system to track national organic import certificates.

“(B) INTEGRATION.—In establishing the system under subparagraph (A), the Secretary may integrate the system into any existing information tracking systems for imports of agricultural products.

“(e) DURATION OF ACCREDITATION.—An accreditation made under this section—

“(1) subject to paragraph (2), shall be for a period of not more than 5 years, as determined appropriate by the Secretary;

“(2) in the case of a certifying agent operating in a foreign country, shall be for a period of time that is consistent with the certification of a domestic certifying agent, as determined appropriate by the Secretary; and

“(3) may be renewed.”.

(d) REQUIREMENTS OF CERTIFYING AGENTS.—Section 2116 of the Organic Foods Production Act of 1990 (7 U.S.C. 6515) is amended—

(1) in subsection (i)—

(A) in paragraph (1), by inserting “or an entity acting as an agent of the certifying agent” after “a certifying agent”;

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

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

“(2) OVERSIGHT OF CERTIFYING OFFICES AND FOREIGN OPERATIONS.—

“(A) IN GENERAL.—If the Secretary determines that an office of a certifying agent or entity described in paragraph (1) is not complying with the provisions of this title, the Secretary may suspend the operations of the certifying agent or the noncompliant office, including—

“(i) an office operating in a foreign country; and



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“(ii) an office operating in the United States, including an office acting on behalf of a foreign-domiciled entity.

“(B) PROCESS FOR RESUMING OPERATIONS FOLLOWING SUSPENSION.—The Secretary shall provide for a process that is otherwise consistent with this section that authorizes a suspended office to resume operations.”; and

(2) by adding at the end the following:

“(j) NOTICE.—Not later than 90 days after the date on which a new certifying office performing certification activities opens, an accredited certifying agent shall notify the Secretary of the opening.”.

(e) CERTAIN EMPLOYEES ELIGIBLE TO SERVE AS NATIONAL ORGANIC STANDARDS BOARD MEMBERS.—Section 2119(b) of the Organic Foods Production Act of 1990 (7 U.S.C. 6518(b)) is amended—

(1) in paragraph (1), by inserting “, or employees of such individuals” after “operation”;

(2) in paragraph (2), by inserting “, or employees of such individuals” after “operation”; and

(3) in paragraph (3), by inserting “, or an employee of such individual” after “products”.

(f) NATIONAL ORGANIC STANDARDS BOARD.—Section 2119(i) of the Organic Foods Production Act of 1990 (7 U.S.C. 6518(i)) is amended—

(1) by striking “Two-thirds” and inserting the following:

“(1) IN GENERAL.— $\frac{2}{3}$ ”; and

(2) by adding at the end the following:

“(2) NATIONAL LIST.—Any vote on a motion proposing to amend the national list shall be considered to be a decisive vote that requires  $\frac{2}{3}$  of the votes cast at a meeting of the Board at which a quorum is present to prevail.”.

(g) INVESTIGATIONS.—Section 2120(b) of the Organic Foods Production Act (7 U.S.C. 6519(b)) is amended by adding at the end the following:

“(3) INFORMATION SHARING DURING ACTIVE INVESTIGATION.—In carrying out this title, all parties to an active investigation (including certifying agents, State organic certification programs, and the national organic program) shall share confidential business information with Federal Government officers and employees involved in the investigation as necessary to fully investigate and enforce potential violations of this title.”.

(h) DATA ORGANIZATION AND ACCESS.—Section 2122 of the Organic Foods Production Act of 1990 (7 U.S.C. 6521) is amended by adding at the end the following:

“(c) ACCESS TO DATA DOCUMENTATION SYSTEMS.—The Secretary shall have access to available data from cross-border documentation systems administered by other Federal agencies, including the Automated Commercial Environment system of U.S. Customs and Border Protection.

“(d) REPORTS.—

“(1) IN GENERAL.—Not later than March 1, 2020, and annually thereafter through March 1, 2023, the Secretary shall submit to Congress, and make publicly available on the website of the Department of Agriculture, a report describing national organic program activities with respect to all domestic and

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overseas investigations and compliance actions taken pursuant to this title during the preceding year.

“(2) REQUIREMENTS.—The data described in paragraph (1) shall be broken down by agricultural product, quantity, value, and month.

“(3) EXCEPTION.—Any data determined by the Secretary to be confidential business information shall not be provided in the report under paragraph (1).”.

(i) ORGANIC AGRICULTURAL PRODUCT IMPORTS INTERAGENCY WORKING GROUP.—The Organic Foods Production Act of 1990 is amended by inserting after section 2122 (7 U.S.C. 6521) the following:

7 USC 6521a.

**“SEC. 2122A. ORGANIC AGRICULTURAL PRODUCT IMPORTS INTERAGENCY WORKING GROUP.**

“(a) ESTABLISHMENT.—

“(1) IN GENERAL.—The Secretary and the Secretary of Homeland Security shall jointly establish a working group to facilitate coordination and information sharing between the Department of Agriculture and U.S. Customs and Border Protection relating to imports of organically produced agricultural products (referred to in this section as the ‘working group’).

“(2) MEMBERS.—The working group—

“(A) shall include—

“(i) the Secretary (or a designee); and

“(ii) the Secretary of Homeland Security (or a designee); and

“(B) shall not include any non-Federal officer or employee.

“(3) DUTIES.—The working group shall facilitate coordination and information sharing between the Department of Agriculture and U.S. Customs and Border Protection for the purposes of—

“(A) identifying imports of organically produced agricultural products;

“(B) verifying the authenticity of organically produced agricultural product import documentation, such as national organic program import certificates;

“(C) ensuring imported agricultural products represented as organically produced meet the requirements under this title;

“(D) collecting and organizing quantitative data on imports of organically produced agricultural products; and

“(E) requesting feedback from stakeholders on how to improve the oversight of imports of organically produced agricultural products.

“(4) DESIGNATED EMPLOYEES AND OFFICIALS.—An employee or official designated to carry out the duties of the Secretary or the Secretary of Homeland Security on the working group under subparagraph (A) or (B) of paragraph (2) shall be an employee or official compensated at a rate of pay not less than the minimum annual rate of basic pay for GS–12 under section 5332 of title 5, United States Code.

“(b) REPORTS.—On an annual basis, the working group shall submit to Congress and make publicly available on the websites

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of the Department of Agriculture and U.S. Customs and Border Protection the following reports:

“(1) ORGANIC TRADE ENFORCEMENT INTERAGENCY COORDINATION REPORT.—A report—

“(A) identifying existing barriers to cooperation between the agencies involved in agricultural product import inspection, trade data collection and organization, and organically produced agricultural product trade enforcement, including—

“(i) U.S. Customs and Border Protection;

“(ii) the Agricultural Marketing Service; and

“(iii) the Animal and Plant Health Inspection Service;

“(B) assessing progress toward integrating organic trade enforcement into import inspection procedures of U.S. Customs and Border Protection and the Animal and Plant Health Inspection Service, including an assessment of—

“(i) the status of the development of systems for—

“(I) tracking the fumigation of imports of organically produced agricultural products into the United States; and

“(II) electronically verifying national organic program import certificate authenticity; and

“(ii) training of U.S. Customs and Border Protection personnel on—

“(I) the use of the systems described in clause (i); and

“(II) requirements and protocols under this title;

“(C) establishing methodology for ensuring imports of agricultural products represented as organically produced meet the requirements under this title;

“(D) recommending steps to improve the documentation and traceability of imported organically produced agricultural products;

“(E) recommending and describing steps for—

“(i) improving compliance with the requirements of this title for all agricultural products imported into the United States and represented as organically produced; and

“(ii) ensuring accurate labeling and marketing of imported agricultural products represented as organically produced by the exporter; and

“(F) describing staffing needs and additional resources at U.S. Customs and Border Protection and the Department of Agriculture needed to ensure compliance.

“(2) REPORT ON ENFORCEMENT ACTIONS TAKEN ON ORGANIC IMPORTS.—A report—

“(A) providing detailed quantitative data (broken down by agricultural product, quantity, value, month, and origin) on imports of agricultural products represented as organically produced found to be fraudulent or lacking any documentation required under this title at the port of entry during the report year;

“(B) providing data on domestic enforcement actions taken on imported agricultural products represented as organically produced, including the number and type of

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actions taken by United States officials at ports of entry in response to violations of this title;

“(C) providing data on fumigation of agricultural products represented as organically produced at ports of entry and notifications of fumigation actions to shipment owners, broken down by product variety and country of origin; and

“(D) providing information on enforcement activities under this title involving overseas investigations and compliance actions taken within that year, including—

“(i) the number of investigations by country; and

“(ii) a descriptive summary of compliance actions taken by certifying agents in each country.”.

(j) AUTHORIZATION OF APPROPRIATIONS FOR NATIONAL ORGANIC PROGRAM.—Section 2123 of the Organic Foods Production Act of 1990 (7 U.S.C. 6522) is amended—

(1) by striking the section heading and inserting “FUNDING”;

(2) in subsection (b), by striking paragraphs (1) through (7) and inserting the following:

“(1) \$15,000,000 for fiscal year 2018;

“(2) \$16,500,000 for fiscal year 2019;

“(3) \$18,000,000 for fiscal year 2020;

“(4) \$20,000,000 for fiscal year 2021;

“(5) \$22,000,000 for fiscal year 2022; and

“(6) \$24,000,000 for fiscal year 2023.”; and

(3) by striking subsection (c) and inserting the following:

“(c) MODERNIZATION AND IMPROVEMENT OF INTERNATIONAL TRADE TECHNOLOGY SYSTEMS AND DATA COLLECTION.—

“(1) IN GENERAL.—The Secretary shall establish a new system or modify an existing data collection and organization system to collect and organize in a single system quantitative data on imports of each organically produced agricultural product accepted into the United States.

“(2) ACTIVITIES.—In carrying out paragraph (1), the Secretary shall modernize trade and transaction certificates to ensure full traceability to the port of entry without unduly hindering trade or commerce, such as through an electronic trade document exchange system.

“(3) ACCESS.—The single system established under paragraph (1) shall be accessible by any agency with the direct authority to engage in—

“(A) inspection of imports of agricultural products;

“(B) trade data collection and organization; or

“(C) enforcement of trade requirements for organically produced agricultural products.

“(4) FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available \$5,000,000 for fiscal year 2019 for the purposes of—

“(A) carrying out this subsection; and

“(B) maintaining the database and technology upgrades previously carried out under this subsection, as in effect on the day before the date of enactment of the Agriculture Improvement Act of 2018.

“(5) AVAILABILITY.—The amounts made available under paragraph (4) are in addition to any other funds made available

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for the purposes described in that paragraph and shall remain available until expended.”

(k) TRADE SAVINGS PROVISION.—The amendments made by subsection (i) shall be carried out in a manner consistent with United States obligations under international agreements.

7 USC 6521a  
note.

**SEC. 10105. NATIONAL ORGANIC CERTIFICATION COST-SHARE PROGRAM.**

(a) ELIMINATION OF DIRECTED DELEGATION.—Section 10606(a) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 6523(a)) is amended by striking “(acting through the Agricultural Marketing Service)”.

(b) FUNDING.—Section 10606 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 6523) is amended by striking subsection (d) and inserting the following:

“(d) MANDATORY FUNDING.—

“(1) IN GENERAL.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section—

“(A) \$2,000,000 for each of fiscal years 2019 and 2020;

“(B) \$4,000,000 for fiscal year 2021; and

“(C) \$8,000,000 for each of fiscal years 2022 and 2023.

“(2) AVAILABILITY.—Amounts made available under paragraph (1) shall remain available until expended.”.

**SEC. 10106. FOOD SAFETY EDUCATION INITIATIVES.**

Section 10105(c) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 7655a(c)) is amended by striking “2018” and inserting “2023”.

**SEC. 10107. SPECIALTY CROP BLOCK GRANTS.**

Section 101 of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note; Public Law 108–465) is amended—

(1) in subsection (a)—

(A) by striking “2018” and inserting “2023”; and

(B) by striking “solely to enhance the competitiveness of specialty crops.” and inserting the following: “to enhance the competitiveness of specialty crops, including—

“(1) by leveraging efforts to market and promote specialty crops;

“(2) by assisting producers with research and development relevant to specialty crops;

“(3) by expanding availability and access to specialty crops;

“(4) by addressing local, regional, and national challenges confronting specialty crop producers; and

“(5) for such other purposes determined to be appropriate by the Secretary of Agriculture, in consultation with specialty crop stakeholders and relevant State departments of agriculture.”;

(2) in subsection (j)—

(A) by redesignating paragraphs (1) through (5) as subparagraphs (A) through (E), respectively, and indenting appropriately;

(B) in the matter preceding subparagraph (A) (as so redesignated), by striking “Not later” and inserting the following:

“(1) IN GENERAL.—Not later”; and

(C) by adding at the end the following:

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“(2) ADMINISTRATION OF MULTISTATE PROJECTS FROM NON-PARTICIPATING STATES.—The Secretary of Agriculture may directly administer all aspects of multistate projects under this subsection for applicants in a nonparticipating State.”;

(3) in subsection (k), by adding at the end the following:

“(3) EVALUATION.—

“(A) PERFORMANCE MEASURES AND REVIEW.—

“(i) DEVELOPMENT.—The Secretary of Agriculture and the State departments of agriculture, in consultation with specialty crop stakeholders, shall develop performance measures to be used as the sole means of performing any evaluation of the grant program established under this section.

“(ii) REVIEW.—The Secretary of Agriculture, in consultation with the State departments of agriculture, shall periodically evaluate the performance of the grant program established under this section.

“(B) COOPERATIVE AGREEMENTS.—The Secretary of Agriculture may enter into cooperative agreements—

“(i) to develop the performance measures under subparagraph (A)(i); or

“(ii) to evaluate the overall performance of the grant program established under this section.”; and

(4) in subsection (l)(2)(E), by inserting “and each fiscal year thereafter” after “2018”.

**SEC. 10108. AMENDMENTS TO THE PLANT VARIETY PROTECTION ACT.**

(a) ASEXUALLY REPRODUCED DEFINED.—Section 41(a) of the Plant Variety Protection Act (7 U.S.C. 2401(a)) is amended—

(1) by redesignating paragraphs (1), (2), (3), (4), (5), (6), (7), (8), and (9) as paragraphs (2), (3), (4), (5), (6), (7), (8), (9), and (10), respectively; and

(2) by inserting before paragraph (2), as so redesignated, the following new paragraph:

“(1) ASEXUALLY REPRODUCED.—The term ‘asexually reproduced’ means produced by a method of plant propagation using vegetative material (other than seed) from a single parent, including cuttings, grafting, tissue culture, and propagation by root division.”.

(b) RIGHT TO PLANT VARIETY PROTECTION; PLANT VARIETIES PROTECTABLE.—Section 42(a) of the Plant Variety Protection Act (7 U.S.C. 2402(a)) is amended by striking “or tuber propagated” and inserting “, tuber propagated, or asexually reproduced”.

(c) INFRINGEMENT OF PLANT VARIETY PROTECTION.—Section 111(a)(3) of the Plant Variety Protection Act (7 U.S.C. 2541(a)(3)) is amended by inserting “or asexually” after “sexually”.

(d) FALSE MARKETING; CEASE AND DESIST ORDERS.—Section 128(a) of the Plant Variety Protection Act (7 U.S.C. 2568(a)) is amended, in the matter preceding paragraph (1), by inserting “or asexually” after “sexually”.

**SEC. 10109. MULTIPLE CROP AND PESTICIDE USE SURVEY.**

(a) IN GENERAL.—The Secretary, acting through the Director of the Office of Pest Management Policy, shall conduct a multiple crop and pesticide use survey of farmers to collect data for risk assessment modeling and mitigation for an active ingredient.



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(b) **SUBMISSION.**—The Secretary shall submit to the Administrator of the Environmental Protection Agency and make publicly available the survey described in subsection (a).

(c) **FUNDING.**—

(1) **MANDATORY FUNDING.**—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section \$500,000 for fiscal year 2019, to remain available until expended.

(2) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out this section \$2,500,000, to remain available until expended.

(d) **CONFIDENTIALITY OF INFORMATION.**—Section 1770 of the Food Security Act of 1985 (7 U.S.C. 2276) is amended—

(1) in subsection (a)—

(A) by striking “(a) In the case” and inserting the following:

“(a) **IN GENERAL.**—In the case”; and

(B) in paragraph (3), by striking “subsection (d)(12)” and inserting “paragraph (12) or (13) of subsection (d)”; and

(2) in subsection (d)—

(A) by striking “(d) For purposes” and inserting the following:

“(d) **PROVISIONS OF LAW REFERENCES.**—For purposes”;

(B) in paragraph (11), by striking “or” at the end;

(C) in paragraph (12), by striking the period at the end and inserting “; or”; and

(D) by adding at the end the following:

“(13) section 10109 of the Agriculture Improvement Act of 2018.”.

**SEC. 10110. REPORT ON THE ARRIVAL IN THE UNITED STATES OF FOREST PESTS THROUGH RESTRICTIONS ON THE IMPORTATION OF CERTAIN PLANTS FOR PLANTING.**

Not later than March 1, 2021, the Secretary shall submit to Congress a report—

(1) evaluating the effectiveness of the Federal Government in intercepting pests in international shipping and on plants for planting;

(2) describing the geographic sources of intercepted pests and the commodities or plant species most often associated with infested shipments;

(3) quantifying the detection of forest pests in the national surveillance networks, including the Cooperative Agricultural Pest Survey and the Early Detection and Rapid Response network of the Forest Service;

(4) describing new outbreaks of forest pests in the United States and the spread of existing infestations;

(5) describing how the numbers of such interceptions, detections, and outbreaks described in a preceding paragraph have changed since January 1, 2018;

(6) containing proposed additional actions to further reduce the rate of arrival for forest pests across the borders of the United States;

(7) identifying current challenges with intercepting, detecting, and addressing outbreaks of tree and wood pests, as well as challenges in achieving compliance with the Plant

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Protection Act (7 U.S.C. 7701 et seq.) and recommendations with respect to such challenges; and

(8) describing the coordination and collaboration occurring between the Animal and Plant Health Inspection Service and the Forest Service with respect to—

(A) identifying and prioritizing critical detection, surveillance, and eradication needs for tree and wood pests; and

(B) identifying the actions each agency takes within their respective missions to address identified priorities.

**SEC. 10111. REPORT ON PLANT BIOSTIMULANTS.**

(a) **REPORT.**—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit a report to the President and Congress that identifies any potential regulatory, non-regulatory, and legislative recommendations, including the appropriateness of any definitions for plant biostimulant, to ensure the efficient and appropriate review, approval, uniform national labeling, and availability of plant biostimulant products to agricultural producers.

(b) **CONSULTATION.**—The Secretary shall prepare the report required by subsection (a) in consultation with the Administrator of the Environmental Protection Agency, the several States, industry stakeholders, and such other stakeholders as the Secretary determines necessary.

(c) **PLANT BIOSTIMULANT.**—For the purposes of the report under subsection (a), the Secretary—

(1) shall consider “plant biostimulant” to be a substance or micro-organism that, when applied to seeds, plants, or the rhizosphere, stimulates natural processes to enhance or benefit nutrient uptake, nutrient efficiency, tolerance to abiotic stress, or crop quality and yield; and

(2) may modify the description of plant biostimulant, as appropriate.

**SEC. 10112. CLARIFICATION OF USE OF FUNDS FOR TECHNICAL ASSISTANCE.**

Section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i) is amended in the last sentence by inserting after “activities” the following: “but excluding any amounts used to provide technical assistance under title X of the Agriculture Improvement Act of 2018 or an amendment made by that title”.

**SEC. 10113. HEMP PRODUCTION.**

The Agricultural Marketing Act of 1946 (7 U.S.C. 1621 et seq.) is amended by adding at the end the following:

**“Subtitle G—Hemp Production**

7 USC 1639o.

**“SEC. 297A. DEFINITIONS.**

“In this subtitle:

“(1) **HEMP.**—The term ‘hemp’ means the plant *Cannabis sativa* L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis.

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“(2) INDIAN TRIBE.—The term ‘Indian tribe’ has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).

“(3) SECRETARY.—The term ‘Secretary’ means the Secretary of Agriculture.

“(4) STATE.—The term ‘State’ means—

“(A) a State;

“(B) the District of Columbia;

“(C) the Commonwealth of Puerto Rico; and

“(D) any other territory or possession of the United States.

“(5) STATE DEPARTMENT OF AGRICULTURE.—The term ‘State department of agriculture’ means the agency, commission, or department of a State government responsible for agriculture in the State.

“(6) TRIBAL GOVERNMENT.—The term ‘Tribal government’ means the governing body of an Indian tribe.

**“SEC. 297B. STATE AND TRIBAL PLANS.**

7 USC 1639p.

“(a) SUBMISSION.—

“(1) IN GENERAL.—A State or Indian tribe desiring to have primary regulatory authority over the production of hemp in the State or territory of the Indian tribe shall submit to the Secretary, through the State department of agriculture (in consultation with the Governor and chief law enforcement officer of the State) or the Tribal government, as applicable, a plan under which the State or Indian tribe monitors and regulates that production as described in paragraph (2).

“(2) CONTENTS.—A State or Tribal plan referred to in paragraph (1)—

“(A) shall only be required to include—

“(i) a practice to maintain relevant information regarding land on which hemp is produced in the State or territory of the Indian tribe, including a legal description of the land, for a period of not less than 3 calendar years;

“(ii) a procedure for testing, using post-decarboxylation or other similarly reliable methods, delta-9 tetrahydrocannabinol concentration levels of hemp produced in the State or territory of the Indian tribe;

“(iii) a procedure for the effective disposal of—

“(I) plants, whether growing or not, that are produced in violation of this subtitle; and

“(II) products derived from those plants;

“(iv) a procedure to comply with the enforcement procedures under subsection (e);

“(v) a procedure for conducting annual inspections of, at a minimum, a random sample of hemp producers to verify that hemp is not produced in violation of this subtitle;

“(vi) a procedure for submitting the information described in section 297C(d)(2), as applicable, to the Secretary not more than 30 days after the date on which the information is received; and

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“(vii) a certification that the State or Indian tribe has the resources and personnel to carry out the practices and procedures described in clauses (i) through (vi); and

“(B) may include any other practice or procedure established by a State or Indian tribe, as applicable, to the extent that the practice or procedure is consistent with this subtitle.

“(3) RELATION TO STATE AND TRIBAL LAW.—

“(A) NO PREEMPTION.—Nothing in this subsection preempts or limits any law of a State or Indian tribe that—

“(i) regulates the production of hemp; and

“(ii) is more stringent than this subtitle.

“(B) REFERENCES IN PLANS.—A State or Tribal plan referred to in paragraph (1) may include a reference to a law of the State or Indian tribe regulating the production of hemp, to the extent that law is consistent with this subtitle.

“(b) APPROVAL.—

“(1) IN GENERAL.—Not later than 60 days after receipt of a State or Tribal plan under subsection (a), the Secretary shall—

“(A) approve the State or Tribal plan if the State or Tribal plan complies with subsection (a); or

“(B) disapprove the State or Tribal plan only if the State or Tribal plan does not comply with subsection (a).

“(2) AMENDED PLANS.—If the Secretary disapproves a State or Tribal plan under paragraph (1)(B), the State, through the State department of agriculture (in consultation with the Governor and chief law enforcement officer of the State) or the Tribal government, as applicable, may submit to the Secretary an amended State or Tribal plan that complies with subsection (a).

“(3) CONSULTATION.—The Secretary shall consult with the Attorney General in carrying out this subsection.

“(c) AUDIT OF STATE COMPLIANCE.—

“(1) IN GENERAL.—The Secretary may conduct an audit of the compliance of a State or Indian tribe with a State or Tribal plan approved under subsection (b).

“(2) NONCOMPLIANCE.—If the Secretary determines under an audit conducted under paragraph (1) that a State or Indian tribe is not materially in compliance with a State or Tribal plan—

“(A) the Secretary shall collaborate with the State or Indian tribe to develop a corrective action plan in the case of a first instance of noncompliance; and

“(B) the Secretary may revoke approval of the State or Tribal plan in the case of a second or subsequent instance of noncompliance.

“(d) TECHNICAL ASSISTANCE.—The Secretary may provide technical assistance to a State or Indian tribe in the development of a State or Tribal plan under subsection (a).

“(e) VIOLATIONS.—

“(1) IN GENERAL.—A violation of a State or Tribal plan approved under subsection (b) shall be subject to enforcement solely in accordance with this subsection.

“(2) NEGLIGENT VIOLATION.—

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“(A) IN GENERAL.—A hemp producer in a State or the territory of an Indian tribe for which a State or Tribal plan is approved under subsection (b) shall be subject to subparagraph (B) of this paragraph if the State department of agriculture or Tribal government, as applicable, determines that the hemp producer has negligently violated the State or Tribal plan, including by negligently—

“(i) failing to provide a legal description of land on which the producer produces hemp;

“(ii) failing to obtain a license or other required authorization from the State department of agriculture or Tribal government, as applicable; or

“(iii) producing *Cannabis sativa* L. with a delta-9 tetrahydrocannabinol concentration of more than 0.3 percent on a dry weight basis.

“(B) CORRECTIVE ACTION PLAN.—A hemp producer described in subparagraph (A) shall comply with a plan established by the State department of agriculture or Tribal government, as applicable, to correct the negligent violation, including—

“(i) a reasonable date by which the hemp producer shall correct the negligent violation; and

“(ii) a requirement that the hemp producer shall periodically report to the State department of agriculture or Tribal government, as applicable, on the compliance of the hemp producer with the State or Tribal plan for a period of not less than the next 2 calendar years.

“(C) RESULT OF NEGLIGENT VIOLATION.—A hemp producer that negligently violates a State or Tribal plan under subparagraph (A) shall not as a result of that violation be subject to any criminal enforcement action by the Federal Government or any State government, Tribal government, or local government.

“(D) REPEAT VIOLATIONS.—A hemp producer that negligently violates a State or Tribal plan under subparagraph (A) 3 times in a 5-year period shall be ineligible to produce hemp for a period of 5 years beginning on the date of the third violation.

“(3) OTHER VIOLATIONS.—

“(A) IN GENERAL.—If the State department of agriculture or Tribal government in a State or the territory of an Indian tribe for which a State or Tribal plan is approved under subsection (b), as applicable, determines that a hemp producer in the State or territory has violated the State or Tribal plan with a culpable mental state greater than negligence—

“(i) the State department of agriculture or Tribal government, as applicable, shall immediately report the hemp producer to—

“(I) the Attorney General; and

“(II) the chief law enforcement officer of the State or Indian tribe, as applicable; and

“(ii) paragraph (1) of this subsection shall not apply to the violation.

“(B) FELONY.—

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“(i) IN GENERAL.—Except as provided in clause (ii), any person convicted of a felony relating to a controlled substance under State or Federal law before, on, or after the date of enactment of this subtitle shall be ineligible, during the 10-year period following the date of the conviction—

“(I) to participate in the program established under this section or section 297C; and

“(II) to produce hemp under any regulations or guidelines issued under section 297D(a).

“(ii) EXCEPTION.—Clause (i) shall not apply to any person growing hemp lawfully with a license, registration, or authorization under a pilot program authorized by section 7606 of the Agricultural Act of 2014 (7 U.S.C. 5940) before the date of enactment of this subtitle.

“(C) FALSE STATEMENT.—Any person who materially falsifies any information contained in an application to participate in the program established under this section shall be ineligible to participate in that program.

“(f) EFFECT.—Nothing in this section prohibits the production of hemp in a State or the territory of an Indian tribe—

“(1) for which a State or Tribal plan is not approved under this section, if the production of hemp is in accordance with section 297C or other Federal laws (including regulations); and

“(2) if the production of hemp is not otherwise prohibited by the State or Indian tribe.

7 USC 1639q.

**“SEC. 297C. DEPARTMENT OF AGRICULTURE.**

“(a) DEPARTMENT OF AGRICULTURE PLAN.—

“(1) IN GENERAL.—In the case of a State or Indian tribe for which a State or Tribal plan is not approved under section 297B, the production of hemp in that State or the territory of that Indian tribe shall be subject to a plan established by the Secretary to monitor and regulate that production in accordance with paragraph (2).

“(2) CONTENT.—A plan established by the Secretary under paragraph (1) shall include—

“(A) a practice to maintain relevant information regarding land on which hemp is produced in the State or territory of the Indian tribe, including a legal description of the land, for a period of not less than 3 calendar years;

“(B) a procedure for testing, using post-decarboxylation or other similarly reliable methods, delta-9 tetrahydrocannabinol concentration levels of hemp produced in the State or territory of the Indian tribe;

“(C) a procedure for the effective disposal of—

“(i) plants, whether growing or not, that are produced in violation of this subtitle; and

“(ii) products derived from those plants;

“(D) a procedure to comply with the enforcement procedures under subsection (c)(2);

“(E) a procedure for conducting annual inspections of, at a minimum, a random sample of hemp producers to verify that hemp is not produced in violation of this subtitle; and



“(F) such other practices or procedures as the Secretary considers to be appropriate, to the extent that the practice or procedure is consistent with this subtitle.

“(b) LICENSING.—The Secretary shall establish a procedure to issue licenses to hemp producers in accordance with a plan established under subsection (a).

“(c) VIOLATIONS.—

“(1) IN GENERAL.—In the case of a State or Indian tribe for which a State or Tribal plan is not approved under section 297B, it shall be unlawful to produce hemp in that State or the territory of that Indian tribe without a license issued by the Secretary under subsection (b).

“(2) NEGLIGENT AND OTHER VIOLATIONS.—A violation of a plan established under subsection (a) shall be subject to enforcement in accordance with paragraphs (2) and (3) of section 297B(e), except that the Secretary shall carry out that enforcement instead of a State department of agriculture or Tribal government.

“(3) REPORTING TO ATTORNEY GENERAL.—In the case of a State or Indian tribe covered by paragraph (1), the Secretary shall report the production of hemp without a license issued by the Secretary under subsection (b) to the Attorney General.

“(d) INFORMATION SHARING FOR LAW ENFORCEMENT.—

“(1) IN GENERAL.—The Secretary shall—

“(A) collect the information described in paragraph (2); and

“(B) make the information collected under subparagraph (A) accessible in real time to Federal, State, territorial, and local law enforcement.

“(2) CONTENT.—The information collected by the Secretary under paragraph (1) shall include—

“(A) contact information for each hemp producer in a State or the territory of an Indian tribe for which—

“(i) a State or Tribal plan is approved under section 297B(b); or

“(ii) a plan is established by the Secretary under this section;

“(B) a legal description of the land on which hemp is grown by each hemp producer described in subparagraph (A); and

“(C) for each hemp producer described in subparagraph (A)—

“(i) the status of—

“(I) a license or other required authorization from the State department of agriculture or Tribal government, as applicable; or

“(II) a license from the Secretary; and

“(ii) any changes to the status.

**“SEC. 297D. REGULATIONS AND GUIDELINES; EFFECT ON OTHER LAW.** 7 USC 1639r.

“(a) PROMULGATION OF REGULATIONS AND GUIDELINES; REPORT.—

“(1) REGULATIONS AND GUIDELINES.—

“(A) IN GENERAL.—The Secretary shall promulgate regulations and guidelines to implement this subtitle as expeditiously as practicable.

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“(B) CONSULTATION WITH ATTORNEY GENERAL.—The Secretary shall consult with the Attorney General on the promulgation of regulations and guidelines under subparagraph (A).

“(2) REPORT.—The Secretary shall annually submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report containing updates on the implementation of this subtitle.

“(b) AUTHORITY.—Subject to subsection (c)(3)(B), the Secretary shall have sole authority to promulgate Federal regulations and guidelines that relate to the production of hemp, including Federal regulations and guidelines that relate to the implementation of sections 297B and 297C.

“(c) EFFECT ON OTHER LAW.—Nothing in this subtitle shall affect or modify—

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

“(2) section 351 of the Public Health Service Act (42 U.S.C. 262); or

“(3) the authority of the Commissioner of Food and Drugs and the Secretary of Health and Human Services—

“(A) under—

“(i) the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.); or

“(ii) section 351 of the Public Health Service Act (42 U.S.C. 262); or

“(B) to promulgate Federal regulations and guidelines that relate to the production of hemp under the Act described in subparagraph (A)(i) or the section described in subparagraph (A)(ii).

7 USC 1639s.

**“SEC. 297E. AUTHORIZATION OF APPROPRIATIONS.**

“There are authorized to be appropriated such sums as are necessary to carry out this subtitle.”.

7 USC 1639o note.

**SEC. 10114. INTERSTATE COMMERCE.**

(a) RULE OF CONSTRUCTION.—Nothing in this title or an amendment made by this title prohibits the interstate commerce of hemp (as defined in section 297A of the Agricultural Marketing Act of 1946 (as added by section 10113)) or hemp products.

(b) TRANSPORTATION OF HEMP AND HEMP PRODUCTS.—No State or Indian Tribe shall prohibit the transportation or shipment of hemp or hemp products produced in accordance with subtitle G of the Agricultural Marketing Act of 1946 (as added by section 10113) through the State or the territory of the Indian Tribe, as applicable.

**SEC. 10115. FIFRA INTERAGENCY WORKING GROUP.**

Section 3(c) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 13a(c)) is amended by adding at the end the following:

“(11) INTERAGENCY WORKING GROUP.—

“(A) DEFINITION OF COVERED AGENCY.—In this paragraph, the term ‘covered agency’ means any of the following:

“(i) The Department of Agriculture.

“(ii) The Department of Commerce.

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“(iii) The Department of the Interior.

“(iv) The Council on Environmental Quality.

“(v) The Environmental Protection Agency.

“(B) ESTABLISHMENT.—The Administrator shall establish an interagency working group, to be comprised of representatives from each covered agency, to provide recommendations regarding, and to implement a strategy for improving, the consultation process required under section 7 of the Endangered Species Act of 1973 (16 U.S.C. 1536) for pesticide registration and registration review.

“(C) DUTIES.—The interagency working group established under subparagraph (B) shall—

“(i) analyze relevant Federal law (including regulations) and case law for purposes of providing an outline of the legal and regulatory framework for the consultation process referred to in that subparagraph, including—

“(I) requirements under this Act and the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.);

“(II) Federal case law regarding the intersection of this Act and the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.); and

“(III) Federal regulations relating to the pesticide consultation process;

“(ii) provide advice regarding methods of—

“(I) defining the scope of actions of the covered agencies that are subject to the consultation requirement referred to in subparagraph (B); and

“(II) properly identifying and classifying effects of actions of the covered agencies with respect to that consultation requirement;

“(iii) identify the obligations and limitations under Federal law of each covered agency for purposes of providing a legal and regulatory framework for developing the recommendations referred to in subparagraph (B);

“(iv) review practices for the consultation referred to in subparagraph (B) to identify problem areas, areas for improvement, and best practices for conducting that consultation among the covered agencies;

“(v) develop scientific and policy approaches to increase the accuracy and timeliness of the process for that consultation, in accordance with requirements of this Act and the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), including—

“(I) processes to efficiently share data and coordinate analyses among the Department of Agriculture, the Department of Commerce, the Department of the Interior, and the Environmental Protection Agency;

“(II) a streamlined process for identifying which actions require no consultation, informal consultation, or formal consultation;

“(III) an approach that will provide clarity with respect to what constitutes the best scientific

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and commercial data available in the fields of pesticide use and ecological risk assessment, pursuant to section 7(a)(2) of the Endangered Species Act of 1973 (16 U.S.C. 1536(a)(2)); and

“(IV) approaches that enable the Environmental Protection Agency to better assist the Department of the Interior and the Department of Commerce in carrying out obligations under that section in a timely and efficient manner; and

“(vi) propose and implement a strategy to implement approaches to consultations under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) and document that strategy in a memorandum of understanding, revised regulations, or another appropriate format to promote durable cooperation among the covered agencies.

“(D) REPORTS.—

“(i) PROGRESS REPORTS.—

“(I) IN GENERAL.—Not later than 18 months after the date of enactment of this paragraph, the Administrator, in coordination with the head of each other covered agency, shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the progress of the working group in developing the recommendations under subparagraph (B).

“(II) REQUIREMENTS.—The report under this clause shall—

“(aa) reflect the perspectives of each covered agency; and

“(bb) identify areas of new consensus and continuing topics of disagreement and debate.

“(ii) RESULTS.—

“(I) IN GENERAL.—Not later than 1 year after the date of enactment of this paragraph, the Administrator, in coordination with the head of each other covered agency, shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing—

“(aa) the recommendations developed under subparagraph (B); and

“(bb) plans for implementation of those recommendations.

“(II) REQUIREMENTS.—The report under this clause shall—

“(aa) reflect the perspectives of each covered agency; and

“(bb) identify areas of consensus and continuing topics of disagreement and debate, if any.

“(iii) IMPLEMENTATION.—Not later than 1 year after the date of submission of the report under clause (i), the Administrator, in coordination with the head

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of each other covered agency, shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing—

“(I) the implementation of the recommendations referred to in that clause;

“(II) the extent to which that implementation improved the consultation process referred to in subparagraph (B); and

“(III) any additional recommendations for improvements to the process described in subparagraph (B).

“(iv) OTHER REPORTS.—Not later than the date that is 180 days after the date of submission of the report under clause (iii), and not less frequently than once every 180 days thereafter during the 5-year period beginning on that date, the Administrator, in coordination with the head of each other covered agency, shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing—

“(I) the implementation of the recommendations referred to in that clause;

“(II) the extent to which that implementation improved the consultation process referred to in subparagraph (B); and

“(III) any additional recommendations for improvements to the process described in subparagraph (B).

“(E) CONSULTATION WITH PRIVATE SECTOR.—In carrying out the duties under this paragraph, the working group shall, as appropriate—

“(i) consult with, representatives of interested industry stakeholders and nongovernmental organizations; and

“(ii) take into consideration factors, such as actual and potential differences in interest between, and the views of, those stakeholders and organizations.

“(F) FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the working group established under this paragraph.

“(G) SAVINGS CLAUSE.—Nothing in this paragraph supersedes any provision of—

“(i) this Act; or

“(ii) the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), including the requirements under section 7 of that Act (16 U.S.C. 1536).”.

**SEC. 10116. STUDY ON METHYL BROMIDE USE IN RESPONSE TO AN EMERGENCY EVENT.**

(a) DEFINITIONS.—In this section:

(1) EMERGENCY EVENT.—The term “emergency event” means a situation—

(A) that occurs at a location on which a plant or commodity is grown or produced or facility providing for the

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storage of, or other services with respect to, a plant or commodity;

(B) for which the lack of availability of methyl bromide for a particular use would result in significant economic loss to the owner, lessee, or operator of the location or facility or the owner, grower, or purchaser of the plant or commodity; and

(C) that, in light of the specific agricultural, meteorological, or other conditions presented, requires the use of methyl bromide to control a pest or disease in the location or facility because there are no technically feasible alternatives to methyl bromide easily accessible by an entity referred to in subparagraph (B) at the time and location of the event that—

(i) are registered under the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.) for the intended use or pest to be so controlled; and

(ii) would adequately control the pest or disease presented at the location or facility.

(2) PEST.—The term “pest” has the meaning given the term in section 2 of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136).

(b) STUDY.—

(1) IN GENERAL.—The Secretary, in consultation with the Secretary of State and the Administrator of the Environmental Protection Agency, shall complete a study on the potential use of methyl bromide in response to an emergency event.

(2) REQUIREMENTS.—The study under paragraph (1) shall include—

(A) a risk-benefit analysis of authorizing State, local, or Tribal authorities, in accordance with appropriate requirements and criteria, such as the recommendations developed under subparagraph (E)—

(i) to determine when the use of methyl bromide is required; and

(ii) to authorize such use;

(B) a risk-benefit analysis of authorizing the Secretary, in accordance with appropriate requirements and criteria, such as the recommendations developed under subparagraph (E)—

(i) to determine when the use of methyl bromide is required; and

(ii) to authorize such use;

(C) a historic estimate of situations occurring on or after September 15, 1997, that could have been deemed emergency events;

(D) a detailed assessment of the adherence of the United States to international obligations of the United States with respect to the prevention of ozone depletion; and

(E) an assessment and recommendations on appropriate requirements and criteria to be met to authorize the use of methyl bromide in response to an emergency event (including any recommendations for revising the definition of the term “emergency event” in subsection (a)) in a manner that fully complies with the Montreal Protocol on Substances that Deplete the Ozone Layer, including



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Decision IX/7 of the Ninth Meeting of the Conference of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer.

(c) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit a report on the study under subsection (b) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Forestry, and Nutrition of the Senate.

## TITLE XI—CROP INSURANCE

### SEC. 11101. DEFINITIONS.

Section 502(b) of the Federal Crop Insurance Act (7 U.S.C. 1502(b)) is amended—

(1) by redesignating paragraphs (6), (7), (8), (9), (10), and (11) as paragraphs (7), (8), (10), (11), (12), and (13) respectively;

(2) by inserting after paragraph (5) the following:

“(6) COVER CROP TERMINATION.—The term ‘cover crop termination’ means a practice that historically and under reasonable circumstances results in the termination of the growth of a cover crop.”; and

(3) by inserting after paragraph (8) (as so redesignated) the following:

“(9) HEMP.—The term ‘hemp’ has the meaning given the term in section 297A of the Agricultural Marketing Act of 1946.”.

### SEC. 11102. DATA COLLECTION.

Section 506(h)(2) of the Federal Crop Insurance Act (7 U.S.C. 1506(h)(2)) is amended—

(1) by striking “The Corporation” and inserting the following:

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

(2) by adding at the end the following:

“(B) NATIONAL AGRICULTURAL STATISTICS SERVICE.—Data collected by the National Agricultural Statistics Service, whether published or unpublished, shall be—

“(i) provided in an aggregate form to the Corporation for the purpose of providing insurance under this subtitle; and

“(ii) kept confidential by the Corporation in the same manner and to the same extent as is required under—

“(I) section 1770 of the Food Security Act of 1985 (7 U.S.C. 2276); and

“(II) the Confidential Information Protection and Statistical Efficiency Act of 2002 (44 U.S.C. 3501 note; Public Law 107–347).

“(C) NONINSURED CROP DISASTER ASSISTANCE PROGRAM.—In collecting data under this subsection, the Secretary shall ensure that—

“(i) appropriate data are collected through the non-insured crop disaster assistance program established by section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333); and

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“(ii) not less frequently than annually, the Farm Service Agency shares, and the Corporation considers, the data described in clause (i).”.

**SEC. 11103. SHARING OF RECORDS.**

Section 506(h)(3) of the Federal Crop Insurance Act (7 U.S.C. 1506(h)(3)) is amended by inserting “applicants who have received payment under section 522(b)(2)(E),” after “divisions,”.

**SEC. 11104. USE OF RESOURCES.**

Section 507(f) of the Federal Crop Insurance Act (7 U.S.C. 1507(f)) is amended—

(1) by striking paragraphs (3) and (4) and inserting the following:

“(3) the Farm Service Agency, in assisting the Board in—

“(A) the determination of individual producer yields;

“(B) sharing information on beginning farmers and ranchers and veteran farmers and ranchers;

“(C) investigating potential waste, fraud, or abuse;

“(D) sharing information to support the transition of crops and counties from the noninsured crop disaster assistance program established by section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333) to insurance under this subtitle; and

“(E) serving as a local point of contact for the dissemination of information on risk management options available to farmers and ranchers; and

“(4) other Federal agencies, in assisting the Board in any way the Board determines is necessary in carrying out this subtitle.”;

(2) in paragraph (2), by striking “(2) the” and inserting the following:

“(2) the”; and

(3) by striking “(f) The Board” in the matter preceding paragraph (1) and all that follows through the semicolon at the end of paragraph (1) and inserting the following:

“(f) USE OF RESOURCES, DATA, BOARDS, AND COMMITTEES OF FEDERAL AGENCIES.—If the Board determines it is necessary, the Board shall use, to the maximum extent practicable, the resources, data, boards, and the committees of—

“(1) the Natural Resources Conservation Service, in assisting the Board in—

“(A) the classification of land as to risk and production capability; and

“(B) the consideration of acceptable conservation practices, including good farming practices with respect to conservation (such as cover crop termination);”.

**SEC. 11105. SPECIALTY CROPS.**

(a) SPECIALTY CROPS COORDINATOR.—Section 507(g) of the Federal Crop Insurance Act (7 U.S.C. 1507(g)) is amended—

(1) by striking the subsection designation and all that follows through “The Corporation” in paragraph (1) and inserting the following:

“(g) SPECIALTY CROPS COORDINATOR.—

“(1) IN GENERAL.—The Corporation”; and

(2) by adding at the end the following:

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“(4) SPECIALTY CROP LIAISONS.—The Specialty Crops Coordinator shall—

“(A) designate a Specialty Crops Liaison in each regional field office; and

“(B) share the contact information of the Specialty Crops Liaisons with specialty crop producers.

“(5) WEBSITE.—The Specialty Crops Coordinator shall establish a website focused on the efforts of the Corporation to provide and expand crop insurance for specialty crop producers.”.

(b) ADDITION OF SPECIALTY CROPS AND OTHER VALUE-ADDED CROPS.—Section 508(a)(6) of the Federal Crop Insurance Act (7 U.S.C. 1508(a)(6)) is amended—

(1) in the paragraph heading, by adding at the end the following: “(INCLUDING VALUE-ADDED CROPS)”;

(2) by striking subparagraph (A) and inserting the following:

“(A) ANNUAL REVIEW.—Not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, and annually thereafter, the manager of the Corporation shall prepare, to the maximum extent practicable, based on data shared from the noninsured crop disaster assistance program established by section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333), written agreements, or other data, and present to the Board not less than 1 of each of the following:

“(i) Research and development for a policy or plan of insurance for a commodity for which there is no existing policy or plan of insurance.

“(ii) Expansion of an existing policy or plan of insurance to additional counties or States, including malting barley endorsements or contract options.

“(iii) Research and development for a new policy or plan of insurance, or endorsement, for commodities with existing policies or plans of insurance, such as dollar plans.”;

(3) in subparagraph (B), in the subparagraph heading, by striking “ADDITION OF NEW CROPS” and inserting “REPORT”; and

(4) by striking subparagraphs (C) and (D).

**SEC. 11106. INSURANCE PERIOD.**

Section 508(a)(2) of the Federal Crop Insurance Act (7 U.S.C. 1508(a)(2)) is amended by striking “and sweet potatoes” and inserting “sweet potatoes, and hemp”.

**SEC. 11107. COVER CROPS.**

Section 508(a) of the Federal Crop Insurance Act (7 U.S.C. 1508(a)) is amended—

(1) in paragraph (3)(B), in the subparagraph heading, by inserting “DETERMINATION REVIEW” after “PRACTICES”; and

(2) by adding at the end the following:

“(11) COVER CROPS.—

“(A) IN GENERAL.—The voluntary practice of cover cropping shall be considered a good farming practice under paragraph (3)(A)(iii) if the cover crop is terminated in accordance with subparagraph (B).

“(B) TERMINATION.—

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“(i) IN GENERAL.—The termination of a cover crop shall be carried out according to—

“(I) guidelines established by the Secretary;

or

“(II) an exception to the guidelines approved under clause (ii).

“(ii) EXCEPTION TO GUIDELINES.—The Corporation shall approve an exception to the guidelines under clause (i)(I) if that exception is recommended by—

“(I) the Natural Resources Conservation Service; or

“(II) an agricultural expert, as determined by the Corporation, unless the exception is determined to be unreasonable by the Corporation.

“(C) INSURABILITY OF SUBSEQUENT CROP.—Cover crop termination shall not affect the insurability of a subsequently planted insurable crop if the cover crop is terminated in accordance with subparagraph (B).

“(D) SUMMER FALLOW.—In a county in which summer fallow is an insurable practice, a cover crop in that county that is terminated in accordance with subparagraph (B) shall be considered as summer fallow for the purpose of insurability.”

**SEC. 11108. UNDERSERVED PRODUCERS.**

Section 508(a)(7) of the Federal Crop Insurance Act (7 U.S.C. 1508(a)(7)) is amended—

(1) in the paragraph heading, by inserting “AND UNDERSERVED PRODUCERS” after “STATES”;

(2) in subparagraph (A)—

(A) by striking the designation and heading and all that follows through “the term” and inserting the following:

“(A) DEFINITIONS.—In this paragraph:

“(i) ADEQUATELY SERVED.—The term”;

(B) in clause (i) (as so designated), by striking “participation rate” and inserting “participation rate, by crop”;

and

(C) by adding at the end the following:

“(ii) UNDERSERVED PRODUCER.—The term ‘underserved producer’ means an individual (including a member of an Indian Tribe) that is—

“(I) a beginning farmer or rancher;

“(II) a veteran farmer or rancher; or

“(III) a socially disadvantaged farmer or rancher.”;

(3) in subparagraph (B)—

(A) by striking “The Board” and inserting “Using resources and information available to the Board or the Secretary, the Board”; and

(B) by striking “subtitle” and inserting “subtitle, including policies and plans of insurance for underserved producers.”; and

(4) by striking subparagraph (C) and inserting the following:

“(C) REPORT.—

“(i) IN GENERAL.—Not later than 30 days after completion of the review under subparagraph (B), and

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not less frequently than once every 3 years thereafter, the Board shall make publicly available and submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the results of the review.

“(ii) RECOMMENDATIONS.—The report under clause (i) shall include recommendations to increase participation in States and among underserved producers that are not adequately served by the policies and plans of insurance, including any plans for administrative action or recommendations for Congressional action.”.

**SEC. 11109. TREATMENT OF FORAGE AND GRAZING.**

(a) AVAILABILITY OF CATASTROPHIC RISK PROTECTION FOR CROPS AND GRASSES USED FOR GRAZING.—Section 508(b)(1) of the Federal Crop Insurance Act (7 U.S.C. 1508(b)(1)) is amended—

(1) by striking “(A) IN GENERAL.—Except as provided in subparagraph (B), the” and inserting “The”; and

(2) by striking subparagraph (B).

(b) COVERAGE FOR FORAGE AND GRAZING.—The Federal Crop Insurance Act is amended by inserting after section 508C (7 U.S.C. 1508c) the following new section:

**“SEC. 508D. COVERAGE FOR FORAGE AND GRAZING.**

7 USC 1508d.

“Notwithstanding section 508A, and in addition to any other available coverage, for crops that can be both grazed and mechanically harvested on the same acres during the same growing season, producers shall be allowed to purchase separate policies for each intended use, as determined by the Corporation, and any indemnity paid under those policies for each intended use shall not be considered to be for the same loss for the purposes of section 508(n).”.

**SEC. 11110. ADMINISTRATIVE BASIC FEE.**

Section 508(b)(5)(A) of the Federal Crop Insurance Act (7 U.S.C. 1508(b)(5)(A)) is amended by striking “\$300” and inserting “\$655”.

**SEC. 11111. ENTERPRISE UNITS.**

Section 508(e)(5) of the Federal Crop Insurance Act (7 U.S.C. 1508(e)(5)) is amended by adding at the end the following:

“(E) ENTERPRISE UNITS ACROSS COUNTY LINES.—The Corporation may allow a producer to establish a single enterprise unit by combining an enterprise unit with—

“(i) 1 or more other enterprise units in 1 or more other counties; or

“(ii) all basic units and all optional units in 1 or more other counties.”.

**SEC. 11112. CONTINUED AUTHORITY.**

Section 508(g) of the Federal Crop Insurance Act (7 U.S.C. 1508(g)) is amended by adding at the end the following new paragraph:

“(6) CONTINUED AUTHORITY.—

“(A) IN GENERAL.—The Corporation shall establish—

“(i) underwriting rules that limit the decrease in the actual production history of a producer, at the election of the producer, to not more than 10 percent of the actual production history of the previous crop

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year provided that the production decline was the result of drought, flood, natural disaster, or other insurable loss (as determined by the Corporation); and

“(ii) actuarially sound premiums to cover additional risk.

“(B) OTHER AUTHORITY.—The authority provided under subparagraph (A) is in addition to any other authority that adjusts the actual production history of the producer under this Act.

“(C) EFFECT.—Nothing in this paragraph shall be construed to require a change in the administration of any provision of this Act as the Act was administered for the 2018 reinsurance year.”.

**SEC. 11113. SUBMISSION OF POLICIES AND MATERIALS TO BOARD.**

Section 508(h) of the Federal Crop Insurance Act (7 U.S.C. 1508(h)) is amended—

(1) in paragraph (1)(B)—

(A) by redesignating clauses (i) through (iii) as subclauses (I) through (III), respectively, and indenting appropriately;

(B) in the matter preceding subclause (I) (as so redesignated), by striking “The Corporation shall” and inserting the following:

“(i) IN GENERAL.—The Corporation shall”;

(C) in clause (i)(I) (as so redesignated), by inserting “subject to clause (ii),” before “will likely”; and

(D) by adding at the end the following:

“(ii) WAIVER FOR HEMP.—The Corporation may waive the viability and marketability requirement under clause (i)(I) in the case of a policy or pilot program relating to the production of hemp.”; and

(2) in paragraph (3)(C)—

(A) in clause (ii), by striking “and” at the end;

(B) in clause (iii), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(iv) in the case of reviewing policies and other materials relating to the production of hemp, may waive the viability and marketability requirement under subparagraph (A)(ii)(I).”.

**SEC. 11114. CROP PRODUCTION ON NATIVE SOD.**

Section 508(o)(2)(A) of the Federal Crop Insurance Act (7 U.S.C. 1508(o)(2)(A)) is amended—

(1) by striking “During the” and inserting the following:

“(i) FIRST 4 CROP YEARS.—During the”;

(2) in clause (i) (as so designated), by striking “after the date of enactment of the Agricultural Act of 2014” and inserting “beginning on February 8, 2014, and ending on the date of enactment of the Agriculture Improvement Act of 2018”; and

(3) by adding at the end the following:

“(ii) SUBSEQUENT CROP YEARS.—Native sod acreage that has been tilled for the production of an insurable crop after the date of enactment of the Agriculture Improvement Act of 2018 shall be subject to a reduction in benefits under this subtitle as described in this paragraph for not more than 4 cumulative years—



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“(I) during the first 10 years after initial tillage; and

“(II) during each of which a crop on that acreage is insured under subsection (c).”.

**SEC. 11115. USE OF NATIONAL AGRICULTURAL STATISTICS SERVICE DATA TO COMBAT WASTE, FRAUD, AND ABUSE.**

Section 515 of the Federal Crop Insurance Act (7 U.S.C. 1515) is amended—

(1) in subsection (d)(1)—

(A) in subparagraph (B), by striking “and” at the end;

(B) in subparagraph (C), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(D) using published aggregate data from the National Agricultural Statistics Service or any other data source to—

“(i) detect yield disparities or other data anomalies that indicate potential fraud; and

“(ii) target the relevant counties, crops, regions, companies, or agents associated with that potential fraud for audits and other enforcement actions.”; and

(2) in subsection (f)(2)(A), by striking “pursuant to” each place it appears and inserting “under”.

**SEC. 11116. SUBMISSION OF INFORMATION TO CORPORATION.**

Section 515(g) of the Federal Crop Insurance Act (7 U.S.C. 1515(g)) is amended—

(1) in paragraph (1), by adding at the end the following:

“(D) The actual production history to be used to establish insurable yields.”; and

(2) in paragraph (2)—

(A) by striking “The information required by paragraph (1)” and inserting the following:

“(A) IN GENERAL.—The information required to be submitted under subparagraphs (A) through (C) of paragraph (1)”;

(B) by adding at the end the following:

“(B) ACTUAL PRODUCTION HISTORY.—

“(i) IN GENERAL.—The information required to be submitted under paragraph (1)(D) with respect to an applicable policy or plan of insurance for a covered commodity (as defined in section 1111 of the Agricultural Act of 2014 (7 U.S.C. 9011)) shall be submitted so as to ensure receipt by the Corporation not later than the Saturday of the week containing the calendar day that is 30 days after the applicable production reporting date for the crop to be insured.

“(ii) CORRECTION OF ERRORS.—Nothing in clause (i) limits the ability of an approved insurance provider to correct any error in the information submitted under paragraph (1)(D) after receipt of the information by the Corporation in accordance with clause (i).”.

**SEC. 11117. CONTINUING EDUCATION FOR LOSS ADJUSTERS AND AGENTS.**

Section 515 of the Federal Crop Insurance Act (7 U.S.C. 1515) is amended—

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(1) by redesignating subsection (k) as subsection (l); and  
 (2) by inserting after subsection (j) the following:

“(k) CONTINUING EDUCATION FOR LOSS ADJUSTERS AND AGENTS.—

“(1) IN GENERAL.—The Corporation shall establish requirements for continuing education for loss adjusters and agents of approved insurance providers.

“(2) REQUIREMENTS.—The requirements for continuing education described in paragraph (1) shall ensure that loss adjusters and agents of approved insurance providers are familiar with—

“(A) the policies and plans of insurance available under this Act, including the regulations promulgated to carry out this Act;

“(B) efforts to promote program integrity through the elimination of waste, fraud, and abuse; and

“(C) other aspects of adjusting, delivering, and servicing policies and plans of insurance by adjusters and agents, as determined by the Secretary, including conservation activities and agronomic practices (including organic and sustainable practices) that are common and appropriate to the area in which the insured crop being inspected is produced.”.

**SEC. 11118. PROGRAM ADMINISTRATION.**

Section 516(b)(2)(C)(i) of the Federal Crop Insurance Act (7 U.S.C. 1516(b)(2)(C)(i)) is amended by striking “\$9,000,000” and inserting “\$7,000,000”.

**SEC. 11119. AGRICULTURAL COMMODITY.**

Section 518 of the Federal Crop Insurance Act (7 U.S.C. 1518) is amended by inserting “hemp,” before “aquacultural species”.

**SEC. 11120. MAINTENANCE OF POLICIES.**

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

(1) in paragraph (1), by amending subparagraph (B) to read as follows:

“(B) REIMBURSEMENT.—

“(i) IN GENERAL.—An applicant who submits a policy under section 508(h) shall be eligible for the reimbursement of reasonable research and development costs if the policy is approved by the Board for sale to producers.

“(ii) REASONABLE COSTS.—For the purpose of reimbursing research and development and maintenance costs under this section, costs of the applicant shall be considered reasonable costs if the costs are based on—

“(I) for any employees or contracted personnel, wage rates equal to not more than 2 times the hourly wage rate plus benefits, as provided by the Bureau of Labor Statistics for the year in which such costs are incurred, calculated using the formula applied to an applicant by the Corporation in reviewing proposed project budgets under this section on October 1, 2016; and

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- “(II) other actual documented costs incurred by the applicant.”; and
- (2) in paragraph (4)—
- (A) in subparagraph (C), by striking “approved insurance provider” and inserting “applicant”; and
- (B) in subparagraph (D)—
- (i) in clause (i), by striking “determined by the approved insurance provider” and inserting “determined by the applicant”; and
- (ii) by adding at the end the following:
- “(iii) REVIEW.—After the Board approves the amount of a fee under clause (ii), the fee shall remain in effect and not be reviewed by the Board unless—
- “(I) the applicant petitions the Board for reconsideration of the fee;
- “(II) a substantial change is made to the policy, as determined by the Board; or
- “(III) there is substantial evidence that the fee is inhibiting sales or use of the policy, as determined by the Board.”.

**(b) APPLICABILITY.—**

7 USC 1522 note.

(1) IN GENERAL.—The amendments made by this section shall apply to reimbursement requests made on or after October 1, 2016.

(2) RESUBMISSION OF DENIED REQUEST.—An applicant that was denied all or a portion of a reimbursement request under paragraph (1) of section 522(b) of the Federal Crop Insurance Act (7 U.S.C. 1522(b)) during the period between October 1, 2016, and the date of the enactment of this Act shall be given an opportunity to resubmit such request.

**SEC. 11121. REIMBURSEMENT OF RESEARCH, DEVELOPMENT, AND MAINTENANCE COSTS.**

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

- (1) in paragraph (2), by adding at the end the following:
- “(K) WAIVER FOR HEMP.—The Board may waive the viability and marketability requirements under this paragraph in the case of research and development relating to a policy to insure the production of hemp.”; and
- (2) in paragraph (3)—

(A) by striking “The Corporation” and inserting the following:

“(A) IN GENERAL.—Subject to subparagraph (B), the Corporation”; and

(B) by adding at the end the following:

“(B) WAIVER FOR HEMP.—The Corporation may waive the marketability requirement under subparagraph (A) in the case of research and development relating to a policy to insure the production of hemp.”.

**SEC. 11122. RESEARCH AND DEVELOPMENT AUTHORITY.**

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

- (1) by striking paragraphs (7) through (18) and (20) through (23);
- (2) by redesignating paragraphs (19) and (24) as paragraphs (7) and (8), respectively;

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(3) in paragraph (7) (as so redesignated) (entitled “Whole farm diversified risk management insurance plan”), by adding at the end the following:

“(E) REVIEW OF MODIFICATIONS TO IMPROVE EFFECTIVENESS.—

“(i) IN GENERAL.—Not later than 18 months after the date of enactment of the Agriculture Improvement Act of 2018—

“(I) the Corporation shall hold stakeholder meetings to solicit producer and agent feedback; and

“(II) the Board shall—

“(aa) review procedures and paperwork requirements on agents and producers; and

“(bb) modify procedures and requirements, as appropriate, to decrease burdens and increase flexibility and effectiveness.

“(ii) FACTORS.—In carrying out items (aa) and (bb) of subclause (i)(II), the Board shall consider—

“(I) removing caps on nursery and livestock production;

“(II) allowing a waiver to expand operations, especially for small and beginning farmers;

“(III) minimizing paperwork for producers and agents;

“(IV) implementing an option for producers with less than \$1,000,000 in gross revenue that requires significantly less paperwork and record-keeping;

“(V) developing and using alternative records such as time-stamped photographs or technology applications to document planting and production history;

“(VI) treating the different growth stages of aquaculture species as separate crops to recognize the difference in perils at different phases of growth;

“(VII) moderating the impacts of disaster years on historic revenue, such as—

“(aa) using an average of the historic and projected revenue;

“(bb) counting indemnities as historic revenue for loss years;

“(cc) counting payments under section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333) as historic revenue for loss years; or

“(dd) using an assigned yield floor similar to the limitation described in section 508(g)(6)(A)(i), as determined by the Secretary;

“(VIII) improving agent training and outreach to underserved regions and sectors such as small dairy farms; and

“(IX) providing coverage and indemnification of insurable losses—

“(aa) after the losses exceed the deductible; and

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“(bb) up to the maximum amount of total coverage.

“(F) BEGINNING FARMER OR RANCHER DEFINED.—Notwithstanding section 502(b)(3), with respect to plans described under this paragraph, the term ‘beginning farmer or rancher’ means a farmer or rancher who has not actively operated and managed a farm or ranch with a bona fide insurable interest in a crop or livestock as an owner-operator, landlord, tenant, or sharecropper for more than 10 crop years.”; and

(4) by inserting after paragraph (8) (as so redesignated) the following:

“(9) TROPICAL STORM OR HURRICANE INSURANCE.—

“(A) IN GENERAL.—The Corporation shall carry out research and development, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out research and development, regarding a policy to insure crops (including tomatoes, peppers, and citrus) against losses due to a tropical storm or hurricane.

“(B) RESEARCH AND DEVELOPMENT.—Research and development under subparagraph (A) shall—

“(i) evaluate the effectiveness of risk management tools for a low frequency and catastrophic loss weather event; and

“(ii) result in a policy that provides protection for at least 1 of the following:

“(I) Production loss.

“(II) Revenue loss.

“(C) REPORT.—Not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

“(i) the results of the research and development carried out under this paragraph; and

“(ii) any recommendations with respect to those results.

“(10) QUALITY LOSS.—

“(A) IN GENERAL.—The Corporation shall carry out research and development, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out research and development, regarding the establishment of each of the following alternative methods of adjusting for quality losses:

“(i) A method that does not impact the actual production history of a producer.

“(ii) A method that provides that, in circumstances in which a producer has suffered a quality loss to the insured crop of the producer that is insufficient to trigger an indemnity payment, the producer may elect to exclude that quality loss from the actual production history of the producer.

“(iii) 1 or more methods that combine the methods described in clauses (i) and (ii).

“(B) REQUIREMENTS.—Notwithstanding subsections (g) and (m) of section 508, any method developed under

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subparagraph (A) that is used by the Corporation shall be—

“(i) optional for a producer to use; and

“(ii) offered at an actuarially sound premium rate.

“(C) REPORT.—Not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

“(i) the results of the research and development carried out under subparagraph (A); and

“(ii) any recommendations with respect to those results.

“(11) CITRUS.—

“(A) IN GENERAL.—The Corporation shall carry out research and development, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out research and development, regarding the insurance of citrus fruit commodities and commodity types, including research and development of—

“(i) improvements to 1 or more existing policies, including the whole-farm revenue protection pilot policy;

“(ii) alternative methods of insuring revenue for citrus fruit commodities and commodity types; and

“(iii) the development of new, or expansion of existing, revenue policies for citrus fruit commodities and commodity types.

“(B) REPORT.—Not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

“(i) the results of the research and development carried out under subparagraph (A); and

“(ii) any recommendations with respect to those results.

“(12) HOPS.—

“(A) IN GENERAL.—The Corporation shall carry out research and development, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out research and development, regarding a policy to insure the production of hops or revenue derived from the production of hops.

“(B) REPORT.—Not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

“(i) the results of the research and development carried out under subparagraph (A); and

“(ii) any recommendations with respect to those results.

“(13) SUBSURFACE IRRIGATION PRACTICES.—



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“(A) IN GENERAL.—The Corporation shall carry out research and development, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out research and development, regarding the creation of a separate practice for subsurface irrigation, including the establishment of a separate transitional yield within a county that is reflective of the average gain in productivity and yield associated with the installation of a subsurface irrigation system.

“(B) REPORT.—Not later than 18 months after the date of enactment of the Agriculture Improvement Act of 2018, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

“(i) the results of the research and development carried out under subparagraph (A); and

“(ii) any recommendations with respect to those results.

“(14) GRAIN SORGHUM.—

“(A) IN GENERAL.—The Corporation shall carry out research and development, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out research and development—

“(i) regarding improvements to 1 or more policies to insure irrigated grain sorghum;

“(ii) regarding alternative methods for producers with not more than 4 years of production history to insure irrigated grain sorghum; and

“(iii) to assess, by county, the difference in the rate, average yield, and coverage level of grain sorghum policies compared to policies for other feed grains in that county.

“(B) REPORT.—Not later than 18 months after the date of enactment of the Agriculture Improvement Act of 2018, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

“(i) the results of the research and development carried out under subparagraph (A); and

“(ii) any recommendations with respect to those results.

“(15) LIMITED IRRIGATION PRACTICES.—

“(A) AUTHORITY.—The Corporation shall—

“(i) consider expanding the availability of the limited irrigation insurance program to neighboring and similarly situated States (such as the States of Colorado and Nebraska), as determined by the Secretary;

“(ii) carry out research, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out research, on the marketability of the existing limited irrigation insurance program; and

“(iii) make recommendations on how to improve participation in that program.

“(B) RESEARCH.—In carrying out research under subparagraph (A), a qualified person shall—

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“(i) collaborate with researchers on the subjects of—

“(I) reduced irrigation practices or limited irrigation practices; and

“(II) expected yield reductions following the application of reduced irrigation;

“(ii) collaborate with State and Federal officials responsible for the collection of water and the regulation of water use for the purpose of irrigation;

“(iii) provide recommendations to encourage producers to carry out limited irrigation practices or reduced irrigation and water conservation practices; and

“(iv) develop web-based applications that will streamline access to coverage for producers electing to conserve water use on irrigated crops.

“(C) REPORT.—Not later than 18 months after the date of enactment of the Agriculture Improvement Act of 2018, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

“(i) the results of the research carried out under subparagraphs (A) and (B);

“(ii) any recommendations to encourage producers to carry out limited irrigation practices or reduced irrigation and water conservation practices; and

“(iii) the actions taken by the Corporation to carry out the recommendations described in clause (ii).

“(16) INSURABLE IRRIGATION PRACTICES FOR RICE.—

“(A) IN GENERAL.—The Corporation shall carry out research and development, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out research and development, to include new and innovative irrigation practices under the current rice policy or the development of a distinct policy endorsement rated for rice produced using—

“(i) alternate wetting and drying practices (also referred to as ‘intermittent flooding’); and

“(ii) furrow irrigation practices.

“(B) REPORT.—Not later than 18 months after the date of enactment of the Agriculture Improvement Act of 2018, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

“(i) the results of the research and development carried out under paragraph (1); and

“(ii) any recommendations with respect to those results.

“(17) GREENHOUSE POLICY.—

“(A) IN GENERAL.—

“(i) RESEARCH AND DEVELOPMENT.—The Corporation shall carry out research and development, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out research and development,

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regarding a policy to insure in a controlled environment such as a greenhouse—

“(I) the production of floriculture, nursery, and bedding plants;

“(II) the establishment of cuttings or tissue culture in a growing medium; or

“(III) other similar production, as determined by the Secretary.

“(ii) AVAILABILITY OF POLICY.—Notwithstanding the last sentence of section 508(a)(1), and section 508(a)(2), the Corporation shall make a policy described in clause (i) available if the requirements of section 508(h) are met.

“(B) RESEARCH AND DEVELOPMENT DESCRIBED.—Research and development described in subparagraph (A)(i) shall evaluate the effectiveness of policies for the production of plants in a controlled environment, including policies that—

“(i) are based on the risk of—

“(I) plant diseases introduced from the environment;

“(II) contaminated cuttings, seedlings, or tissue culture; or

“(III) Federal or State quarantine or destruction orders associated with the contaminated items described in subclause (II);

“(ii) consider other causes of loss applicable to a controlled environment, such as a loss of electricity due to weather;

“(iii) consider appropriate best practices to minimize the risk of loss;

“(iv) consider whether to provide coverage for various types of plants under 1 policy or to provide coverage for 1 species or type of plant per policy;

“(v) have streamlined reporting and paperwork requirements that take into account short propagation schedules, variable crop years, and the variety of plants that may be produced in a single facility; and

“(vi) provide protection for revenue losses.

“(C) REPORT.—Not later than 2 years after the date of enactment of the Agriculture Improvement Act of 2018, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

“(i) the results of the research and development carried out under subparagraphs (A)(i) and (B); and

“(ii) any recommendations with respect to those results.

“(18) LOCAL FOODS.—

“(A) IN GENERAL.—

“(i) FEASIBILITY STUDY.—The Corporation shall carry out a study to determine the feasibility of, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out a study to determine the feasibility of, a policy to insure production—

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“(I) of floriculture, fruits, vegetables, poultry, livestock, or the products of floriculture, fruits, vegetables, poultry, or livestock; and

“(II) that is targeted toward local consumers and markets.

“(ii) AVAILABILITY OF POLICY.—Notwithstanding the last sentence of section 508(a)(1), and section 508(a)(2), the Corporation shall make available a policy described in clause (i) if—

“(I) the results of the feasibility study under clause (i) are viable; and

“(II) the requirements of section 508(h) are met.

“(B) FEASIBILITY STUDY DESCRIBED.—The feasibility study described in subparagraph (A)(i) shall evaluate the effectiveness of policies for production targeted toward local consumers and markets, including policies that—

“(i) consider small-scale production in various areas, including urban, suburban, and rural areas;

“(ii) consider a variety of marketing strategies;

“(iii) allow for production in soil and in alternative systems such as vertical systems, greenhouses, rooftops, or hydroponic systems;

“(iv) consider the price premium when accounting for production or revenue losses;

“(v) consider whether to provide coverage—

“(I) for various types of production under 1 policy; and

“(II) for 1 species or type of plant per policy; and

“(vi) have streamlined reporting and paperwork requirements.

“(C) REPORT.—Not later than 2 years after the date of enactment of the Agriculture Improvement Act of 2018, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that—

“(i) examines whether a version of existing policies such as the whole-farm revenue protection insurance plan may be tailored to provide improved coverage for producers of local foods;

“(ii) describes the results of the feasibility study carried out under subparagraph (A)(i); and

“(iii) includes any recommendations with respect to those results.

“(19) HIGH-RISK, HIGHLY PRODUCTIVE BATTLE LAND POLICY.—

“(A) IN GENERAL.—

“(i) RESEARCH AND DEVELOPMENT.—The Corporation shall carry out research and development, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out research and development, regarding a policy to insure producers of corn, cotton, and soybeans—

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“(I) with operations on highly productive batture land within the Lower Mississippi River Valley;

“(II) that have a history of production of not less than 5 years; and

“(III) that have been impacted by more frequent flooding over the past 10 years due to sedimentation or federally constructed engineering improvements.

“(ii) AVAILABILITY OF POLICY.—Notwithstanding the last sentence of section 508(a)(1), and section 508(a)(2), the Corporation shall make a policy described in clause (i) available if the requirements of section 508(h) are met.

“(B) RESEARCH AND DEVELOPMENT DESCRIBED.—Research and development described in subparagraph (A)(i) shall evaluate the feasibility of less cost-prohibitive policies for batture-land producers in high risk areas, including policies that—

“(i) consider premium rate adjustments;

“(ii) consider automatic yield exclusion for consecutive-year losses; and

“(iii) allow for flexibility of final plant dates and prevent plant regulations.

“(C) REPORT.—Not later than 2 years after the date of enactment of the Agriculture Improvement Act of 2018, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that—

“(i) examines whether a version of existing policies may be tailored to provide improved coverage for batture-land producers;

“(ii) describes the results of the research and development carried out under subparagraphs (A) and (B); and

“(iii) includes any recommendations with respect to those results.”.

**SEC. 11123. FUNDING FOR RESEARCH AND DEVELOPMENT.**

Section 522(e)(2)(A) of the Federal Crop Insurance Act (7 U.S.C. 1522(e)(2)(A)) is amended—

(1) by striking “not more than \$12,500,000 for fiscal year 2008 and each subsequent fiscal year.” and inserting the following: “not more than—

“(i) \$12,500,000 for each of fiscal years 2008 through 2018; and”; and

(2) by adding at the end the following:

“(ii) \$8,000,000 for fiscal year 2019 and each fiscal year thereafter.”.

**SEC. 11124. TECHNICAL AMENDMENT TO PILOT PROGRAMS.**

Section 523(i)(3)(A) of the Federal Crop Insurance Act (7 U.S.C. 1523(i)(3)(A)) is amended by adding a period at the end.

**SEC. 11125. EDUCATION AND RISK MANAGEMENT ASSISTANCE.**

(a) EDUCATION ASSISTANCE.—Section 524(a) of the Federal Crop Insurance Act (7 U.S.C. 1524(a)) is amended—

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(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by striking “paragraph (5)” and all that follows through “the Secretary” in subparagraph (B) and inserting “paragraph (4), the Secretary”; and

(B) by striking “paragraph (3)” and inserting “paragraph (2)”;

(2) by striking paragraph (2);

(3) by redesignating paragraphs (3) through (5) as paragraphs (2) through (4), respectively;

(4) in paragraph (2) (as so redesignated), in subparagraph (A)—

(A) by striking “about the full range of” and inserting “and providing technical assistance to agricultural producers on a full range of farm viability and”;

(B) by inserting “business planning, enterprise analysis, transfer and succession planning, management coaching, market assessment, cash flow analysis,” after “insurance,”; and

(C) by inserting “conservation activities,” after “benchmarking,”;

(5) in paragraph (3) (as so redesignated)—

(A) in the matter preceding subparagraph (A)—

(i) by striking “programs established under paragraphs (2) and (3)” and inserting “program established under paragraph (2)”;

(ii) by inserting “farm viability and” after “emphasis on”; and

(iii) by inserting “, business planning and technical assistance, market assessment, transfer and succession planning, and crop insurance participation” after “benchmarking”;

(B) in subparagraph (D)(i), by striking “and” at the end; and

(C) by striking subparagraph (E) and inserting the following:

“(iii) are converting production and marketing systems to pursue new markets; and

“(E) producers that are underserved by the Federal crop insurance program established under this subtitle, as determined by the Corporation.”; and

(6) in paragraph (4) (as so redesignated)—

(A) in the matter preceding subparagraph (A), by striking “transferred” and all that follows through “for the partnerships” in subparagraph (B) and inserting “transferred for the partnerships”;

(B) by striking “paragraph (3), \$5,000,000 for fiscal year 2001” and inserting “paragraph (2), \$10,000,000 for fiscal year 2019”; and

(C) by striking the period at the end and inserting “, of which not less than \$5,000,000 shall be used to carry out paragraph (3)(E).”.

(b) CONFORMING AMENDMENTS.—Section 251(f)(1)(D)(ii) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6971(f)(1)(D)(ii)) is amended—

(1) by striking “section 524(a)(3)” and inserting “section 524(a)”;



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(2) by striking “(7 U.S.C. 1524(a)(3))” and inserting “(7 U.S.C. 1524(a))”.

**SEC. 11126. REPEAL OF CROPLAND REPORT ANNUAL UPDATES.**

Section 11014 of the Agricultural Act of 2014 (Public Law 113–79; 128 Stat. 963) is amended by striking subsection (c).

## **TITLE XII—MISCELLANEOUS**

### **Subtitle A—Livestock**

**SEC. 12101. ANIMAL DISEASE PREVENTION AND MANAGEMENT.**

(a) **DEFINITION.**—Section 10403 of the Animal Health Protection Act (7 U.S.C. 8302) is amended by adding at the end the following:

“(18) **VETERINARY COUNTERMEASURE.**—The term ‘veterinary countermeasure’ means any biological product (including an animal vaccine or diagnostic), pharmaceutical product (including a therapeutic), non-pharmaceutical product (including a disinfectant), or other product or equipment to prevent, detect, respond to, or mitigate harm to public or animal health resulting from, animal pests or diseases.”.

(b) **ANIMAL DISEASE PREPAREDNESS AND RESPONSE.**—Section 10409A of the Animal Health Protection Act (7 U.S.C. 8308A) is amended—

(1) by striking the section heading and inserting “**ANIMAL DISEASE PREVENTION AND MANAGEMENT**”;

(2) in subsection (a), by striking “(a) **DEFINITION OF ELIGIBLE LABORATORY.**—In this section,” and inserting the following:

“(a) **NATIONAL ANIMAL HEALTH LABORATORY NETWORK.**—

“(1) **DEFINITION OF ELIGIBLE LABORATORY.**—In this subsection,”;

(3) in subsection (b)—

(A) in paragraph (2), by redesignating subparagraphs (A) through (E) as clauses (i) through (v), respectively, and moving the margins of such clauses (as so redesignated) 2 ems to the right;

(B) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (C), respectively, and moving the margins of such subparagraphs (as so redesignated) 2 ems to the right;

(4) by redesignating subsections (b) and (c) as paragraphs (2) and (3), respectively, and moving the margins of such paragraphs (as so redesignated) 2 ems to the right; and

(5) by adding at the end the following:

“(b) **NATIONAL ANIMAL DISEASE PREPAREDNESS AND RESPONSE PROGRAM.**—

“(1) **PROGRAM REQUIRED.**—The Secretary shall establish a program, to be known as the National Animal Disease Preparedness and Response Program (referred to in this section as ‘the Program’), to address the increasing risk of the introduction and spread within the United States of animal pests and diseases affecting the economic interests of the livestock and related industries of the United States, including the maintenance and expansion of export markets.

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“(2) PROGRAM ACTIVITIES.—Activities under the Program shall include, to the extent practicable, the following:

“(A) Enhancing animal pest and disease analysis and surveillance.

“(B) Expanding outreach and education.

“(C) Targeting domestic inspection activities at vulnerable points in the safeguarding continuum.

“(D) Enhancing and strengthening threat identification technology.

“(E) Improving biosecurity.

“(F) Enhancing emergency preparedness and response capabilities, including training additional emergency response personnel.

“(G) Conducting technology development to enhance electronic sharing of animal health data for risk analysis between State and Federal animal health officials.

“(H) Enhancing the development and effectiveness of animal health technologies to treat and prevent animal disease, including—

“(i) veterinary biologics and diagnostics;

“(ii) animal drugs for minor uses and minor species;

“(iii) animal medical devices; and

“(iv) emerging veterinary countermeasures.

“(I) Such other activities as determined appropriate by the Secretary, in consultation with eligible entities specified in paragraph (3).

“(3) ELIGIBLE ENTITIES.—To carry out the Program, the Secretary shall offer to enter into cooperative agreements or other legal instruments, as authorized under section 10413 (referred to in this section as ‘agreements’) with eligible entities, to be selected by the Secretary, which may include any of the following entities, either individually or in combination:

“(A) A State department of agriculture.

“(B) The office of the chief animal health official of a State.

“(C) An entity eligible to receive funds under a capacity and infrastructure program (as defined in section 251(f)(1)(C) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6971(f)(1)(C))).

“(D) A college of veterinary medicine, including a veterinary emergency team at such college.

“(E) A State or national livestock producer organization with direct and significant economic interest in livestock production.

“(F) A State emergency agency.

“(G) A State, national, allied, or regional veterinary organization or specialty board recognized by the American Veterinary Medical Association.

“(H) An Indian Tribe.

“(I) A Federal agency.

“(4) SPECIAL FUNDING CONSIDERATIONS.—In entering into agreements under this subsection, the Secretary shall give priority to applications submitted by—

“(A) a State department of agriculture or an office of the chief animal health official of a State; or

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“(B) an eligible entity that will carry out program activities in a State or region in which—

“(i) an animal pest or disease is a Federal concern;

or

“(ii) the Secretary determines a potential exists for the spread of an animal pest or disease after taking into consideration—

“(I) the agricultural industries in the State or region;

“(II) factors contributing to animal pest or disease in the State or region, such as the climate, natural resources, and geography of, and native and exotic wildlife species and other disease vectors in, the State or region; and

“(III) the movement of animals in the State or region.

“(5) CONSULTATION.—For purposes of setting priorities under this subsection, the Secretary shall consult with eligible entities specified in paragraph (3). The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to consultation carried out under this paragraph.

“(6) APPLICATION.—

“(A) IN GENERAL.—An eligible entity specified in paragraph (3) seeking to enter into an agreement under the Program shall submit to the Secretary an application containing such information as the Secretary may require.

“(B) NOTIFICATION.—The Secretary shall notify each applicant of—

“(i) the requirements to be imposed on the eligible entity that is the recipient of funds under the Program for auditing of, and reporting on, the use of such funds; and

“(ii) the criteria to be used to ensure activities supported using such funds are based on sound scientific data or thorough risk assessments.

“(C) NON-FEDERAL CONTRIBUTIONS.—When deciding whether to enter into an agreement under the Program with an eligible entity described in paragraph (3), the Secretary—

“(i) may take into consideration an eligible entity’s ability to contribute non-Federal funds to carry out such an agreement; and

“(ii) shall not require such an eligible entity to make such a contribution as a condition to enter into an agreement.

“(7) USE OF FUNDS.—

“(A) USE CONSISTENT WITH TERMS OF COOPERATIVE AGREEMENT.—The recipient of funds under the Program shall use the funds for the purposes and in the manner provided in the agreement under which the funds are provided.

“(B) SUB-AGREEMENT.—Nothing in this section prevents an eligible entity from using funds received under the Program to enter into sub-agreements with another eligible entity or with a political subdivision of a State that has legal responsibilities relating to animal disease prevention, surveillance, or rapid response.

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“(8) REPORTING REQUIREMENT.—Not later than 90 days after the date of completion of an activity conducted using funds provided under the Program, the recipient of such funds shall submit to the Secretary a report that describes the purposes and results of the activities.”.

(c) NATIONAL ANIMAL VACCINE AND VETERINARY COUNTERMEASURES BANK.—Section 10409A of the Animal Health Protection Act (7 U.S.C. 8308A), as amended by subsection (b), is further amended by inserting after subsection (b) (as added by subsection (b)(5) of this section) the following:

“(c) NATIONAL ANIMAL VACCINE BANK.—

“(1) ESTABLISHMENT.—The Secretary shall establish a national animal vaccine and veterinary countermeasures bank (to be known as the National Animal Vaccine and Veterinary Countermeasures Bank and referred to in this subsection as the ‘Vaccine Bank’) to benefit the domestic interests of the United States.

“(2) ELEMENTS OF VACCINE BANK.—Through the Vaccine Bank, the Secretary shall—

“(A) maintain sufficient quantities of veterinary countermeasures to appropriately and rapidly respond to the most damaging animal diseases affecting or with potential to affect human health or the economy of the United States; and

“(B) leverage, when appropriate, the mechanisms and infrastructure that have been developed for the management, storage, and distribution of the National Veterinary Stockpile.

“(3) PRIORITY FOR RESPONSE TO FOOT AND MOUTH DISEASE.—The Secretary shall prioritize the acquisition and maintenance of sufficient quantities of foot and mouth disease vaccine and accompanying diagnostic products for the Vaccine Bank. As part of such prioritization, the Secretary may offer to enter into one or more contracts with one or more entities that are capable of producing foot and mouth disease vaccine and that have surge production capacity of the vaccine.”.

(d) FUNDING.—Section 10409A of the Animal Health Protection Act (7 U.S.C. 8308A), as amended by subsections (b) and (c), is further amended by striking subsection (d) and inserting the following:

“(d) FUNDING.—

“(1) MANDATORY FUNDING.—

“(A) FISCAL YEARS 2019 THROUGH 2022.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section \$120,000,000 for the period of fiscal years 2019 through 2022, of which not less than \$5,000,000 shall be made available for each of those fiscal years to carry out subsection (b).

“(B) SUBSEQUENT FISCAL YEARS.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section \$30,000,000 for fiscal year 2023 and each fiscal year thereafter, of which not less than \$18,000,000 shall be made available for each of those fiscal years to carry out subsection (b).

“(2) AUTHORIZATION OF APPROPRIATIONS.—

“(A) NATIONAL ANIMAL HEALTH LABORATORY NETWORK.—In addition to the funds made available under

paragraph (1), there is authorized to be appropriated \$30,000,000 for each of fiscal years 2019 through 2023 to carry out subsection (a).

“(B) NATIONAL ANIMAL DISEASE PREPAREDNESS AND RESPONSE PROGRAM; NATIONAL ANIMAL VACCINE AND VETERINARY COUNTERMEASURES BANK.—In addition to the funds made available under paragraph (1), there is authorized to be appropriated such sums as are necessary for each of fiscal years 2019 through 2023 to carry out subsections (b) and (c).

“(C) ADDITIONALITY.—The funds authorized for appropriation under this paragraph are in addition to any funds authorized or otherwise made available under this section or section 10417.

“(3) ADMINISTRATIVE COSTS.—

“(A) SECRETARY.—Of the funds made available under this section or section 10417 to carry out the National Animal Health Laboratory Network under subsection (a) and the National Animal Disease Preparedness and Response Program under subsection (b), not more than 4 percent may be retained by the Secretary to pay administrative costs incurred by the Secretary.

“(B) ELIGIBLE ENTITIES.—Of the funds made available under this section or section 10417 to carry out the National Animal Disease Preparedness and Response Program under subsection (b), not more than 10 percent may be retained by an eligible entity that receives funds under any agreement entered into under such subsection, including any sub-agreement under paragraph (7)(B) of such subsection to pay administrative costs incurred by the eligible entity to carry out activities under the Program.

“(4) DURATION OF AVAILABILITY.—Funds made available under this subsection, including any proceeds credited under paragraph (5), shall remain available until expended.

“(5) PROCEEDS FROM VETERINARY COUNTERMEASURES SALES.—Any proceeds of a sale of veterinary countermeasures from the Vaccine Bank shall be—

“(A) deposited into the Treasury of the United States; and

“(B) credited to the account for the operation of the Vaccine Bank to be made available for expenditure without further appropriation.

“(6) LIMITATIONS ON USE OF FUNDS FOR CERTAIN PURPOSES.—Funds made available under the National Animal Health Laboratory Network, the National Animal Disease Preparedness and Response Program, and the Vaccine Bank shall not be used for the construction of a new building or facility or the acquisition or expansion of an existing building or facility, including site grading and improvement and architect fees.

“(e) AVAILABILITY AND PURPOSE OF FUNDING.—

“(1) IN GENERAL.—Using the funds made available under subsection (d), the Secretary of Agriculture shall offer to enter into contracts, grants, cooperative agreements, or other legal instruments under subsections (a) through (c) during each of the fiscal years 2019 through 2023.

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“(2) EFFECT.—Nothing in paragraph (1) shall be construed to terminate a contract, grant, cooperative agreement, or other legal instrument entered into during the period specified in such paragraph.”.

**SEC. 12102. SHEEP PRODUCTION AND MARKETING GRANT PROGRAM.**

Section 209(c) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1627a(c)) is amended by striking “\$1,500,000 for fiscal year 2014” and inserting “\$2,000,000 for fiscal year 2019”.

**SEC. 12103. FEASIBILITY STUDY ON LIVESTOCK DEALER STATUTORY TRUST.**

(a) IN GENERAL.—The Secretary shall conduct a study to determine the feasibility of establishing a livestock dealer statutory trust.

(b) CONTENTS.—The study conducted under subsection (a) shall—

(1) analyze how the establishment of a livestock dealer statutory trust would affect buyer and seller behavior in markets for livestock (as defined in section 2(a) of the Packers and Stockyards Act, 1921 (7 U.S.C. 182));

(2) examine how the establishment of a livestock dealer statutory trust would affect seller recovery in the event of a livestock dealer payment default;

(3) consider what potential effects a livestock dealer statutory trust would have on credit availability, including impacts on lenders and lending behavior and other industry participants;

(4) examine unique circumstances common to livestock dealers and how those circumstances could impact the functionality of a livestock dealer statutory trust;

(5) study the feasibility of the industry-wide adoption of electronic funds transfer or another expeditious method of payment to provide sellers of livestock protection from nonsufficient funds payments;

(6) assess the effectiveness of statutory trusts in other segments of agriculture, whether similar effects could be experienced under a livestock dealer statutory trust, and whether authorizing the Secretary to appoint an independent trustee under the livestock dealer statutory trust would improve seller recovery;

(7) consider the effects of exempting dealers with average annual purchases under a de minimis threshold from being subject to the livestock dealer statutory trust; and

(8) analyze how the establishment of a livestock dealer statutory trust would affect the treatment of sellers of livestock as it relates to preferential transfer in bankruptcy.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the findings of the study conducted under subsection (a).

**SEC. 12104. DEFINITION OF LIVESTOCK.**

Section 602(2) of the Emergency Livestock Feed Assistance Act of 1988 (7 U.S.C. 1471(2)) is amended in the matter preceding subparagraph (A) by striking “fish” and all that follows through



“that—” and inserting “llamas, alpacas, live fish, crawfish, and other animals that—”.

**SEC. 12105. NATIONAL AQUATIC ANIMAL HEALTH PLAN.**

Section 11013 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8322) is amended—

- (1) by striking subsection (d); and
- (2) by redesignating subsection (e) as subsection (d).

**SEC. 12106. VETERINARY TRAINING.**

Section 10504 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8318) is amended—

- (1) by inserting “and veterinary teams, including those based at colleges of veterinary medicine,” after “veterinarians”; and
- (2) by inserting before the period at the end the following: “and who are capable of providing effective services before, during, and after emergencies”.

**SEC. 12107. REPORT ON FSIS GUIDANCE AND OUTREACH TO SMALL MEAT PROCESSORS.**

(a) **IN GENERAL.**—The Secretary shall offer to enter into a contract with a land-grant college or university or a non-land-grant college of agriculture (as those terms are defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3101)) to review the effectiveness of existing Food Safety and Inspection Service guidance materials and other tools used by small and very small establishments, as defined by regulations issued by the Food Safety and Inspection Service, operating under Federal inspection, as in effect on the date of enactment of this Act, including—

- (1) the effectiveness of the outreach conducted by the Food Safety and Inspection Service to small and very small establishments;
- (2) the effectiveness of the guidance materials and other tools used by the Food Safety and Inspection Service to assist small and very small establishments; and
- (3) the responsiveness of Food Safety and Inspection Service personnel to inquiries and issues from small and very small establishments.

(b) **REPORT.**—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

- (1) the results of the review conducted under subsection (a); and
- (2) recommendations on measures the Food Safety and Inspection Service should take to improve regulatory clarity and consistency and ensure all guidance materials and other tools take into account small and very small establishments.

**SEC. 12108. REGIONAL CATTLE AND CARCASS GRADING CORRELATION AND TRAINING CENTERS.**

7 USC 1622 note.

(a) **IN GENERAL.**—The Secretary shall establish not more than 3 regional centers, to be known as Cattle and Carcass Grading Correlation and Training Centers (referred to in this section as the “Centers”), to provide education and training for cattle and

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carcass beef graders of the Agricultural Marketing Service, cattle producers, and other professionals involved in the reporting, delivery, and grading of feeder cattle, live cattle, and carcasses—

(1) to limit the subjectivity in the application of beef grading standards;

(2) to provide producers with greater confidence in the price of the producers' cattle; and

(3) to provide investors with both long and short positions more assurance in the cattle delivery system.

(b) LOCATION.—The Centers shall be located near cattle feeding and slaughter populations and areas shall be strategically identified in order to capture regional variances in cattle production.

(c) ADMINISTRATION.—Each Center shall be organized and administered by offices of the Department of Agriculture in operation on the date on which the respective Center is established, or in coordination with other appropriate Federal agencies or academic institutions.

(d) TRAINING PROGRAM.—The Centers shall offer intensive instructional programs involving classroom and field training work for individuals described in subsection (a).

(e) COORDINATION OF RESOURCES.—Each Center, in carrying out the functions of the Center, shall make use of information generated by the Department of Agriculture, the State agricultural extension and research stations, relevant designated contract markets, and the practical experience of area cattle producers, especially cattle producers cooperating in on-farm demonstrations, correlations, and research projects.

(f) PROHIBITION ON CONSTRUCTION.—Funds made available to carry out this section shall not be used for the construction of a new building or facility or the acquisition, expansion, remodeling, or alteration of an existing building or facility (including site grading and improvement, and architect fees). Notwithstanding the preceding sentence, the Secretary may use funds made available to carry out this section to provide a Center with payment for the cost of the rental of a space determined to be necessary by the Center for conducting training under this section and may accept donations (including in-kind contributions) to cover such cost.

## Subtitle B—Agriculture and Food Defense

### SEC. 12201. REPEAL OF OFFICE OF HOMELAND SECURITY.

Section 14111 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8911) is repealed.

### SEC. 12202. OFFICE OF HOMELAND SECURITY.

Subtitle A of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6911 et seq.) is amended by adding at the end the following:

7 USC 6922.

### “SEC. 221. OFFICE OF HOMELAND SECURITY.

“(a) DEFINITION OF AGRICULTURE AND FOOD DEFENSE.—In this section, the term ‘agriculture and food defense’ means any action to prevent, protect against, mitigate the effects of, respond to, or recover from a naturally occurring, unintentional, or intentional threat to the agriculture and food system.

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“(b) AUTHORIZATION.—The Secretary shall establish in the Department the Office of Homeland Security.

“(c) EXECUTIVE DIRECTOR.—The Office of Homeland Security shall be headed by an Executive Director, who shall be known as the Executive Director of Homeland Security.

“(d) DUTIES.—The Executive Director of Homeland Security shall—

“(1) serve as the principal advisor to the Secretary on homeland security, including emergency management and agriculture and food defense;

“(2) coordinate activities of the Department, including policies, processes, budget needs, and oversight relating to homeland security, including emergency management and agriculture and food defense;

“(3) act as the primary liaison on behalf of the Department with other Federal departments and agencies in activities relating to homeland security, including emergency management and agriculture and food defense, and provide for interagency coordination and data sharing;

“(4)(A) coordinate in the Department the gathering of information relevant to early warning and awareness of threats and risks to the food and agriculture critical infrastructure sector; and

“(B) share that information with, and provide assistance with interpretation and risk characterization of that information to, the intelligence community (as defined in section 3 of the National Security Act of 1947 (50 U.S.C. 3003)), law enforcement agencies, the Secretary of Defense, the Secretary of Homeland Security, the Secretary of Health and Human Services, and State fusion centers (as defined in section 210A(j) of the Homeland Security Act of 2002 (6 U.S.C. 124h(j)));

“(5) liaise with the Director of National Intelligence to assist in the development of periodic assessments and intelligence estimates, or other intelligence products, that support the defense of the food and agriculture critical infrastructure sector;

“(6) coordinate the conduct, evaluation, and improvement of exercises to identify and eliminate gaps in preparedness and response;

“(7) produce a Department-wide centralized strategic coordination plan to provide a high-level perspective of the operations of the Department relating to homeland security, including emergency management and agriculture and food defense; and

“(8) carry out other appropriate duties, as determined by the Secretary.

“(e) AGRICULTURE AND FOOD THREAT AWARENESS PARTNERSHIP PROGRAM.—

“(1) INTERAGENCY EXCHANGE PROGRAM.—The Secretary, in partnership with the intelligence community (as defined in section 3 of the National Security Act of 1947 (50 U.S.C. 3003)) and fusion centers (as defined in section 210A(j) of the Homeland Security Act of 2002 (6 U.S.C. 124h(j))) that have analysis and intelligence capabilities relating to the defense of the food and agriculture critical infrastructure sector, shall establish and carry out an interagency exchange program of personnel and information to improve communication and analysis for

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the defense of the food and agriculture critical infrastructure sector.

“(2) COLLABORATION WITH FEDERAL, STATE, AND LOCAL AUTHORITIES.—To carry out the program established under paragraph (1), the Secretary may—

“(A) enter into 1 or more cooperative agreements or contracts with Federal, State, or local authorities that have analysis and intelligence capabilities and expertise relating to the defense of the food and agriculture critical infrastructure sector; and

“(B) carry out any other activity under any other authority of the Secretary that is appropriate to engage the authorities described in subparagraph (A) for the defense of the food and agriculture critical infrastructure sector, as determined by the Secretary.”.

7 USC 8914.

**SEC. 12203. AGRICULTURE AND FOOD DEFENSE.**

(a) DEFINITIONS.—In this section:

(1) ANIMAL.—The term “animal” has the meaning given the term in section 10403 of the Animal Health Protection Act (7 U.S.C. 8302).

(2) DISEASE OR PEST OF CONCERN.—The term “disease or pest of concern” means a plant or animal disease or pest that—

(A) is—

- (i) a transboundary disease; or
- (ii) an established disease; and

(B) is likely to pose a significant risk to the food and agriculture critical infrastructure sector that warrants efforts at prevention, protection, mitigation, response, and recovery.

(3) ESTABLISHED DISEASE.—The term “established disease” means a plant or animal disease or pest that—

- (A)(i) if it becomes established, poses an imminent threat to agriculture in the United States; or
- (ii) has become established, as defined by the Secretary, within the United States; and
- (B) requires management.

(4) HIGH-CONSEQUENCE PLANT TRANSBOUNDARY DISEASE.—The term “high-consequence plant transboundary disease” means a transboundary disease that is—

- (A)(i) a plant disease; or
- (ii) a plant pest; and
- (B) of high consequence, as determined by the Secretary.

(5) PEST.—The term “pest”—

(A) with respect to a plant, has the meaning given the term “plant pest” in section 403 of the Plant Protection Act (7 U.S.C. 7702); and

(B) with respect to an animal, has the meaning given the term in section 10403 of the Animal Health Protection Act (7 U.S.C. 8302).

(6) PLANT.—The term “plant” has the meaning given the term in section 403 of the Plant Protection Act (7 U.S.C. 7702).

(7) PLANT HEALTH MANAGEMENT STRATEGY.—The term “plant health management strategy” means a strategy to timely control and eradicate a plant disease or plant pest outbreak,

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including through mitigation (such as chemical control), surveillance, the use of diagnostic products and procedures, and the use of existing resistant seed stock.

## (8) TRANSBOUNDARY DISEASE.—

(A) IN GENERAL.—The term “transboundary disease” means a plant or animal disease or pest that is within 1 or more countries outside of the United States.

(B) INCLUSION.—The term “transboundary disease” includes a plant or animal disease or pest described in subparagraph (A) that—

(i) has emerged within the United States; or

(ii) has been introduced within the United States.

(9) VETERINARY COUNTERMEASURE.—The term “veterinary countermeasure” has the meaning given such term in section 10403 of the Animal Health Protection Act (7 U.S.C. 8302).

## (b) DISEASE OR PEST OF CONCERN RESPONSE PLANNING.—

(1) IN GENERAL.—The Secretary shall—

(A) establish a list of diseases or pests of concern by—

(i) developing a process to solicit and receive expert opinion and evidence relating to the diseases or pests of concern entered on the list; and

(ii) reviewing all available evidence relating to the diseases or pests of concern entered on the list, including classified information; and

(B) periodically update the list established under subparagraph (A).

## (2) RESPONSE PLANS.—

(A) COMPREHENSIVE STRATEGIC RESPONSE PLAN OR PLANS.—The Secretary shall develop, in collaboration with appropriate Federal, State, regional, and local officials, a comprehensive strategic response plan or plans, as appropriate, for the diseases or pests of concern that are entered on the list established under paragraph (1).

(B) STATE OR REGION RESPONSE PLAN OR PLANS.—The Secretary shall provide information to a State or region to assist in producing a response plan or plans that shall include a concept of operations for a disease or pest of concern or a platform concept of operations for responses to similar diseases or pests of concern that are determined to be a priority to the State or region that shall, as appropriate—

(i) describe the appropriate interactions among, and roles of—

(I) Federal, State, Tribal, and units of local government; and

(II) plant or animal industry partners;

(ii) include a decision matrix or dynamic decision modeling tools that, as appropriate, include—

(I) information and timing requirements necessary for the use of veterinary countermeasures;

(II) plant health management strategies;

(III) deployment of other key materials and resources; and

(IV) parameters for transitioning from outbreak response to disease management;

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(iii) identify key response performance metrics to establish—

(I) benchmarking to provide assessments of capabilities, capacity, and readiness to achieve response goals and objectives;

(II) progressive exercise evaluation; and

(III) continuing improvement of a response plan, including by providing for—

(aa) ongoing exercises;

(bb) improvement planning and the implementation of corrective actions to enhance a response plan over time; and

(cc) strategic information to guide investment in any appropriate research to mitigate the risk of a disease or pest of concern; and

(iv) be updated periodically, including in response to—

(I) an exercise evaluation; or

(II) new risk information becoming available regarding a disease or pest of concern.

(3) COORDINATION OF PLANS.—Pursuant to section 221(d)(6) of the Department of Agriculture Reorganization Act of 1994, as added by section 12202, the Secretary shall, as appropriate, assist in coordinating with other appropriate Federal, State, regional, or local officials in the exercising of the plans developed under paragraph (2).

(c) NATIONAL PLANT DIAGNOSTIC NETWORK.—

(1) IN GENERAL.—The Secretary shall establish in the Department of Agriculture a National Plant Diagnostic Network to monitor and surveil through diagnostics threats to plant health from diseases or pests of concern in the United States.

(2) REQUIREMENTS.—The National Plant Diagnostic Network established under paragraph (1) shall—

(A) provide for increased awareness, surveillance, early identification, rapid communication, warning, and diagnosis of a threat to plant health from a disease or pest of concern to protect natural and agricultural plant resources;

(B) coordinate and collaborate with agencies of the Department of Agriculture and State agencies and authorities involved in plant health;

(C) establish diagnostic laboratory standards;

(D) establish regional hubs throughout the United States that provide expertise, leadership, and support to diagnostic labs relating to the agricultural crops and plants in the covered regions of those hubs; and

(E) establish a national repository for records of endemic or emergent diseases and pests of concern.

(3) HEAD OF NETWORK.—

(A) IN GENERAL.—The Director of the National Institute of Food and Agriculture shall serve as the head of the National Plant Diagnostic Network.

(B) DUTIES.—The head of the National Plant Diagnostic Network shall—

(i) coordinate and collaborate with land-grant colleges and universities (as defined in section 1404 of the National Agricultural Research, Extension, and



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Teaching Policy Act of 1977 (7 U.S.C. 3103)) in carrying out the requirements under paragraph (2), including through cooperative agreements described in paragraph (4);

(ii) partner with the Administrator of the Animal and Plant Health Inspection Service for assistance with plant health regulation and inspection; and

(iii) coordinate with other Federal agencies, as appropriate, in carrying out activities relating to the National Plant Diagnostic Network, including the sharing of biosurveillance information.

(4) COLLABORATION WITH LAND-GRANT COLLEGES AND UNIVERSITIES.—The Secretary shall seek to establish cooperative agreements with land-grant colleges and universities (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)) that have the appropriate level of skill, experience, and competence with plant diseases or pests of concern.

(5) AUTHORIZATION OF APPROPRIATIONS.—In addition to the amount authorized to carry out this subtitle under section 12205, there is authorized to be appropriated to carry out this subsection \$15,000,000 for each of fiscal years 2019 through 2023.

(d) NATIONAL PLANT DISEASE RECOVERY SYSTEM.—

(1) RECOVERY SYSTEM.—The Secretary shall establish in the Department of Agriculture a National Plant Disease Recovery System to engage in strategic long-range planning to recover from high-consequence plant transboundary diseases.

(2) REQUIREMENTS.—The National Plant Disease Recovery System established under paragraph (1) shall—

(A) coordinate with disease or pest of concern concept of operations response plans;

(B) make long-range plans for the initiation of future research projects relating to high-consequence plant transboundary diseases;

(C) establish research plans for long-term recovery;

(D) plan for the identification and use of specific genotypes, cultivars, breeding lines, and other disease-resistant materials necessary for crop stabilization or improvement; and

(E) establish a watch list of high-consequence plant transboundary diseases for the purpose of making long-range plans under subparagraph (B).

#### SEC. 12204. BIOLOGICAL AGENTS AND TOXINS LIST.

Section 212(a)(1)(B)(i) of the Agricultural Bioterrorism Protection Act of 2002 (7 U.S.C. 8401(a)(1)(B)(i)) is amended—

(1) in subclause (III), by striking “and” at the end;

(2) by redesignating subclause (IV) as subclause (V); and

(3) by inserting after subclause (III) the following:

“(IV)(aa) whether such inclusion would have a substantial negative impact on the research and development of solutions for the animal or plant disease caused by the agent or toxin; and

“(bb) whether the negative impact described in item (aa) would substantially outweigh the risk

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posed by the agent or toxin to animal or plant health if it is not included on the list; and”.

**SEC. 12205. AUTHORIZATION OF APPROPRIATIONS.**

In addition to other amounts made available under this subtitle, there is authorized to be appropriated to carry out this subtitle \$5,000,000 for each of fiscal years 2019 through 2023.

## **Subtitle C—Historically Underserved Producers**

**SEC. 12301. FARMING OPPORTUNITIES TRAINING AND OUTREACH.****(a) REPEAL.—**

(1) **IN GENERAL.**—Section 7405 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3319f) is repealed.

**(2) CONFORMING AMENDMENTS.—**

(A) Section 226B(e)(2)(B) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6934(e)(2)(B)) is amended by striking “the beginning farmer and rancher development program established under section 7405 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3319f).” and inserting “the beginning farmer and rancher development grant program established under subsection (d) of section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279).”

(B) Section 251(f)(1)(D) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6971(f)(1)(D)) is amended by striking clause (iv) and inserting the following:

“(iv) The beginning farmer and rancher development grant program established under subsection (d) of section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279).”

(C) Section 7506(e) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 7614c(e)) is amended—

**(i) in paragraph (2)(C)—**

(I) by striking clause (v);

(II) by redesignating clauses (i) through (iv) as clauses (ii) through (v), respectively;

(III) by inserting before clause (ii) (as so redesignated) the following:

“(i) each grant and cooperative agreement awarded under subsection (d) of section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279);”;

(IV) in clause (ii) (as so redesignated), by striking “450i(b)(2);” and inserting “3157(b)(2);”;

(V) in clause (iv) (as so redesignated), by adding “and” at the end; and

**(ii) in paragraph (4)—**

(I) by striking subparagraph (E);

(II) by redesignating subparagraphs (A) through (D) as subparagraphs (B) through (E), respectively;

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(III) by inserting before subparagraph (B) (as so redesignated) the following:

“(A) subsection (d) of section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279);”;

(IV) in subparagraph (B) (as so redesignated), by striking “450i(b);” and inserting “3157(b);”;

(V) in subparagraph (D) (as so redesignated), by adding “or” at the end; and

(VI) in subparagraph (E) (as so redesignated), by striking “; or” and inserting a period.

(b) **OUTREACH AND EDUCATION FOR SOCIALLY DISADVANTAGED FARMERS AND RANCHERS, VETERAN FARMERS AND RANCHERS, AND BEGINNING FARMERS AND RANCHERS.**—Section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279) is amended—

(1) by striking the section heading and inserting “**FARMING OPPORTUNITIES TRAINING AND OUTREACH**”;

(2) by redesignating subsection (i) as paragraph (5) (and moving the margins of such paragraph 2 ems to the right) and moving such paragraph (as so redesignated) so as to follow subsection (a)(4);

(3) by redesignating subsections (a) (as amended by paragraph (2)), (b), (c), (d), (e), (g), and (h) as subsections (c), (g), (k), (h), (a), (i), and (j), respectively, and moving the subsections so as to appear in alphabetical order;

(4) by moving paragraph (5) of subsection (a) (as so redesignated) so as to appear at the end of subsection (c) (as so redesignated) and redesignating such paragraph as paragraph (6);

(5) in subsection (a) (as so redesignated)—

(A) by striking the subsection designation and heading and inserting the following:

“(a) **DEFINITIONS.**—In this section:”;

(B) by redesignating paragraphs (1), (2), (3), (4), and (6) as paragraphs (6), (5), (1), (3), and (4), respectively, and moving the paragraphs so as to appear in numerical order;

(C) in paragraphs (1), (5), and (6) (as so redesignated), by striking “As used in this section, the” each place it appears and inserting “The”;

(D) in paragraph (1) (as so redesignated)—

(i) in the paragraph heading, by striking “**AGRICULTURE**” and inserting “**AGRICULTURAL**”; and

(ii) in the matter preceding subparagraph (A), by striking “agriculture” and inserting “agricultural”; and

(E) by inserting after paragraph (1) (as so redesignated)

the following:

“(2) **BEGINNING FARMER OR RANCHER.**—The term ‘beginning farmer or rancher’ means a person that—

“(A)(i) has not operated a farm or ranch; or

“(ii) has operated a farm or ranch for not more than 10 years; and

“(B) meets such other criteria as the Secretary may establish.”;

(6) by inserting after subsection (a) (as so redesignated) the following:

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“(b) FARMING OPPORTUNITIES TRAINING AND OUTREACH.—The Secretary shall carry out this section to encourage and assist socially disadvantaged farmers and ranchers, veteran farmers and ranchers, and beginning farmers and ranchers in the ownership and operation of farms and ranches through—

“(1) education and training; and

“(2) equitable participation in all agricultural programs of the Department.”;

(7) in subsection (c) (as so redesignated and as amended by paragraph (4))—

(A) in the subsection heading, by inserting “FOR SOCIALLY DISADVANTAGED AND VETERAN FARMERS AND RANCHERS” after “ASSISTANCE”;

(B) by striking paragraph (4);

(C) by redesignating paragraphs (1), (2), (3), and (6) as paragraphs (2), (3), (4), and (1), respectively, and moving the paragraphs so as to appear in numerical order;

(D) in paragraph (1) (as so redesignated)—

(i) in the matter preceding subparagraph (A), by striking “The term” and inserting “In this subsection, the term”;

(ii) in subparagraph (A)(ii), by striking “subsection (a)” and inserting “this subsection”; and

(iii) in subparagraph (F), by striking “(450b))” and inserting “(5304))”;

(E) in paragraph (2) (as so redesignated)—

(i) in the matter preceding subparagraph (A), by striking “The Secretary of Agriculture shall carry out” and inserting “Using funds made available under subsection (1), the Secretary of Agriculture shall, for the period of fiscal years 2019 through 2023, carry out”; and

(ii) in subparagraph (B), by striking “agricultural” and inserting “agricultural, forestry, and related”;

(iii) by striking “agricultural” and inserting “agricultural, forestry, and related”;

(F) in paragraph (3) (as so redesignated), by striking “(1)” in the matter preceding subparagraph (A) and inserting “(2)”; and

(G) in paragraph (4) (as so redesignated)—

(i) in subparagraph (A)—

(I) by striking the subparagraph heading and inserting “OUTREACH AND TECHNICAL ASSISTANCE.—”;

(II) by striking “(2)” and inserting “(3)”; and

(III) by inserting “to socially disadvantaged farmers and ranchers and veteran farmers and ranchers” after “assistance”;

(ii) in subparagraph (C), by striking “(1)” and inserting “(2)”; and

(iii) in subparagraph (D), by adding at the end the following:

“(v) The number of farms or ranches started, maintained, or improved as a result of funds made available under the program.

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“(vi) Actions taken by the Secretary in partnership with eligible entities to enhance participation in agricultural programs by veteran farmers or ranchers and socially disadvantaged farmers or ranchers.

“(vii) The effectiveness of the actions described in clause (vi).”; and

(iv) by adding at the end the following:

“(E) MAXIMUM TERM AND AMOUNT OF GRANT, CONTRACT, OR AGREEMENT.—A grant, contract, or agreement entered into under subparagraph (A) shall be—

“(i) for a term of not longer than 3 years; and

“(ii) in an amount that is not more than \$250,000 for each year of the grant, contract, or agreement.

“(F) PRIORITY.—In making grants and entering into contracts and other agreements under subparagraph (A), the Secretary shall give priority to nongovernmental and community-based organizations with an expertise in working with socially disadvantaged farmers and ranchers or veteran farmers and ranchers.

“(G) REGIONAL BALANCE.—To the maximum extent practicable, the Secretary shall ensure the geographical diversity of eligible entities to which grants are made and contracts and other agreements are entered into under subparagraph (A).

“(H) PROHIBITION.—A grant, contract, or other agreement under subparagraph (A) may not be used for the planning, repair, rehabilitation, acquisition, or construction of a building or facility.

“(I) PEER REVIEW.—The Secretary shall establish a fair and efficient external peer review process that—

“(i) the Secretary shall use in making grants and entering into contracts and other agreements under subparagraph (A); and

“(ii) shall include a broad representation of peers of the eligible entity.

“(J) INPUT FROM ELIGIBLE ENTITIES.—The Secretary shall seek input from eligible entities providing technical assistance under this subsection not less than once each year to ensure that the program is responsive to the eligible entities providing that technical assistance.”;

(8) by inserting after subsection (c) (as so redesignated) the following:

“(d) BEGINNING FARMER AND RANCHER DEVELOPMENT GRANT PROGRAM.—

“(1) IN GENERAL.—Using funds made available under subsection (1), the Secretary, acting through the Director of the National Institute of Food and Agriculture, shall, for the period of fiscal years 2019 through 2023, make competitive grants or enter into cooperative agreements to support new and established local and regional training, education, outreach, and technical assistance initiatives to increase opportunities for beginning farmers and ranchers.

“(2) INCLUDED PROGRAMS AND SERVICES.—Initiatives described in paragraph (1) may include programs or services, as appropriate, relating to—

“(A) basic livestock, forest management, and crop farming practices;

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“(B) innovative farm, ranch, and private, nonindustrial forest land transfer and succession strategies;

“(C) entrepreneurship and business training;

“(D) technical assistance to help beginning farmers or ranchers acquire land from retiring farmers and ranchers;

“(E) financial and risk management training, including the acquisition and management of agricultural credit;

“(F) natural resource management and planning;

“(G) diversification and marketing strategies;

“(H) curriculum development;

“(I) mentoring, apprenticeships, and internships;

“(J) resources and referral;

“(K) farm financial benchmarking;

“(L) agricultural rehabilitation and vocational training for veteran farmers and ranchers;

“(M) farm safety and awareness;

“(N) food safety and recordkeeping; and

“(O) other similar subject areas of use to beginning farmers and ranchers.

“(3) ELIGIBILITY.—

“(A) IN GENERAL.—To be eligible to receive a grant or enter into a cooperative agreement under this subsection, the recipient of the grant or participant in the cooperative agreement shall be a collaborative State, Tribal, local, or regionally-based network or partnership of public or private entities.

“(B) INCLUSIONS.—A recipient of a grant or a participant that enters into a cooperative agreement described in subparagraph (A) may include—

“(i) a State cooperative extension service;

“(ii) a Federal, State, municipal, or Tribal agency;

“(iii) a community-based or nongovernmental organization;

“(iv) a college or university (including an institution awarding an associate’s degree) or foundation maintained by a college or university; or

“(v) any other appropriate partner, as determined by the Secretary.

“(4) TERMS OF GRANTS OR COOPERATIVE AGREEMENT.—A grant or cooperative agreement under this subsection shall—

“(A) be for a term of not longer than 3 years; and

“(B) provide not more than \$250,000 for each year.

“(5) MATCHING REQUIREMENT.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), to be eligible to receive a grant or enter into a cooperative agreement under this subsection, a recipient or participant shall provide a match in the form of cash or in-kind contributions in an amount equal to 25 percent of the funds provided by the grant or cooperative agreement.

“(B) EXCEPTION.—The Secretary may waive or reduce the matching requirement in subparagraph (A) if the Secretary determines such a waiver or modification is necessary to effectively reach an underserved area or population.



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“(6) EVALUATION CRITERIA.—In making grants or entering into cooperative agreements under this subsection, the Secretary shall evaluate, with respect to applications for the grants or cooperative agreements—

“(A) relevancy;

“(B) technical merit;

“(C) achievability;

“(D) the expertise and track record of 1 or more applicants;

“(E) the consultation of beginning farmers and ranchers in design, implementation, and decisionmaking relating to an initiative described in paragraph (1);

“(F) the adequacy of plans for—

“(i) a participatory evaluation process;

“(ii) outcome-based reporting; and

“(iii) the communication of findings and results beyond the immediate target audience; and

“(G) other appropriate factors, as determined by the Secretary.

“(7) REGIONAL BALANCE.—To the maximum extent practicable, the Secretary shall ensure the geographical diversity of recipients of grants or participants in cooperative agreements under this subsection.

“(8) PRIORITY.—In making grants or entering into cooperative agreements under this subsection, the Secretary shall give priority to partnerships and collaborations that are led by or include nongovernmental, community-based organizations and school-based educational organizations with expertise in new agricultural producer training and outreach.

“(9) PROHIBITION.—A grant made or cooperative agreement entered into under this subsection may not be used for the planning, repair, rehabilitation, acquisition, or construction of a building or facility.

“(10) COORDINATION PERMITTED.—A recipient of a grant or participant in a cooperative agreement under this subsection may coordinate with a recipient of a grant or cooperative agreement under section 1680 in addressing the needs of veteran farmers and ranchers with disabilities.

“(11) CONSECUTIVE AWARDS.—A grant or cooperative agreement under this subsection may be made to a recipient or participant for consecutive years.

“(12) PEER REVIEW.—

“(A) IN GENERAL.—The Secretary shall establish a fair and efficient external peer review process, which the Secretary shall use in making grants or entering into cooperative agreements under this subsection.

“(B) REQUIREMENT.—The peer review process under subparagraph (A) shall include a review panel composed of a broad representation of peers of the applicant for the grant or cooperative agreement that are not applying for a grant or cooperative agreement under this subsection.

“(13) PARTICIPATION BY OTHER FARMERS AND RANCHERS.—Nothing in this subsection prohibits the Secretary from allowing a farmer or rancher who is not a beginning farmer or rancher (including an owner or operator that has ended, or expects to end within 5 years, active labor in a farming or ranching operation as a producer, retiring farmers, and non-farming

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landowners) from participating in a program or service under this subsection, to the extent that the Secretary determines that such participation—

“(A) is appropriate; and

“(B) will not detract from the primary purpose of increasing opportunities for beginning farmers and ranchers.

“(14) EDUCATION TEAMS.—

“(A) IN GENERAL.—The Secretary shall establish beginning farmer and rancher education teams to develop curricula, conduct educational programs and workshops for beginning farmers and ranchers in diverse geographical areas of the United States, or provide training and technical assistance initiatives for beginning farmers or ranchers or for trainers and service providers that work with beginning farmers or ranchers.

“(B) CURRICULUM.—In promoting the development of curricula, educational programs and workshops, or training and technical assistance initiatives under subparagraph (A), the Secretary shall, to the maximum extent practicable, include content tailored to specific audiences of beginning farmers and ranchers, based on crop diversity or regional diversity.

“(C) COMPOSITION.—In establishing an education team under subparagraph (A) for a specific program or workshop, the Secretary shall, to the maximum extent practicable—

“(i) obtain the short-term services of specialists with knowledge and expertise in programs serving beginning farmers and ranchers; and

“(ii) use officers and employees of the Department with direct experience in programs of the Department that may be taught as part of the curriculum for the program or workshop.

“(D) COOPERATION.—

“(i) IN GENERAL.—In carrying out this subsection, the Secretary shall cooperate, to the maximum extent practicable, with—

“(I) State cooperative extension services;

“(II) Federal, State, and Tribal agencies;

“(III) community-based and nongovernmental organizations;

“(IV) colleges and universities (including an institution awarding an associate’s degree) or foundations maintained by a college or university; and

“(V) other appropriate partners, as determined by the Secretary.

“(ii) COOPERATIVE AGREEMENTS.—The Secretary may enter into a cooperative agreement to reflect the terms of any cooperation under subparagraph (A).

“(15) CURRICULUM AND TRAINING CLEARINGHOUSE.—The Secretary shall establish an online clearinghouse that makes available to beginning farmers and ranchers education curricula and training materials and programs, which may include online courses for direct use by beginning farmers and ranchers.

“(e) APPLICATION REQUIREMENTS.—In making grants and entering into contracts and other agreements, as applicable, under

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subsections (c) and (d), the Secretary shall make available a simplified application process for an application for a grant that requests less than \$50,000.”;

(9) by striking subsection (f) and inserting the following:

“(f) STAKEHOLDER INPUT.—In carrying out this section, the Secretary shall seek stakeholder input from—

“(1) beginning farmers and ranchers;

“(2) socially disadvantaged farmers and ranchers;

“(3) veteran farmers and ranchers;

“(4) national, State, Tribal, and local organizations and other persons with expertise in operating programs for—

“(A) beginning farmers and ranchers;

“(B) socially disadvantaged farmers and ranchers; or

“(C) veteran farmers and ranchers;

“(5) the Advisory Committee on Beginning Farmers and Ranchers established under section 5(b) of the Agricultural Credit Improvement Act of 1992 (7 U.S.C. 1929 note; Public Law 102–554);

“(6) the Advisory Committee on Minority Farmers established under section 14008 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 2279 note; Public Law 110–246); and

“(7) the Tribal Advisory Committee established under subsection (b) of section 309 of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6921).”;

(10) in paragraph (3) of subsection (h) (as so redesignated), by inserting “and not later than March 1, 2020,” after “1991,”; and

(11) by adding at the end the following:

“(l) FUNDING.—

“(1) MANDATORY FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section—

“(A) \$30,000,000 for each of fiscal years 2019 and 2020;

“(B) \$35,000,000 for fiscal year 2021;

“(C) \$40,000,000 for fiscal year 2022; and

“(D) \$50,000,000 for fiscal year 2023 and each fiscal year thereafter.

“(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$50,000,000 for each of fiscal years 2019 through 2023.

“(3) RESERVATION OF FUNDS.—Of the amounts made available to carry out this section—

“(A) 50 percent shall be used to carry out subsection (c); and

“(B) 50 percent shall be used to carry out subsection (d).

“(4) ALLOCATION OF FUNDS.—

“(A) IN GENERAL.—Not less than 5 percent of the amounts made available to carry out subsection (d) for a fiscal year shall be used to support programs and services that address the needs of—

“(i) limited resource beginning farmers and ranchers, as defined by the Secretary;

“(ii) socially disadvantaged farmers and ranchers that are beginning farmers and ranchers; and

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“(iii) farmworkers desiring to become farmers or ranchers.

“(B) VETERAN FARMERS AND RANCHERS.—Not less than 5 percent of the amounts made available to carry out subsection (d) for a fiscal year shall be used to support programs and services that address the needs of veteran farmers and ranchers.

“(5) INTERAGENCY FUNDING.—Any agency of the Department may participate in any grant, contract, or agreement entered into under this section by contributing funds, if the contributing agency determines that the objectives of the grant, contract, or agreement will further the authorized programs of the contributing agency.

“(6) ADMINISTRATIVE EXPENSES.—Not more than 5 percent of the amounts made available to carry out this section for a fiscal year may be used for expenses relating to the administration of this section.

“(7) LIMITATION ON INDIRECT COSTS.—A recipient of a grant or a party to a contract or other agreement under subsection (c) or (d) may not use more than 10 percent of the funds received for the indirect costs of carrying out a grant, contract, or other agreement.”.

**SEC. 12302. URBAN AGRICULTURE.**

Subtitle A of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6911 et seq.) (as amended by section 12202) is amended by adding at the end the following:

7 USC 6923.

**“SEC. 222. OFFICE OF URBAN AGRICULTURE AND INNOVATIVE PRODUCTION.**

“(a) OFFICE.—

“(1) IN GENERAL.—The Secretary shall establish in the Department an Office of Urban Agriculture and Innovative Production.

“(2) DIRECTOR.—The Secretary shall appoint a senior official to serve as the Director of the Office of Urban Agriculture and Innovative Production (referred to in this section as the ‘Director’).

“(3) MISSION.—The mission of the Office of Urban Agriculture and Innovative Production shall be to encourage and promote urban, indoor, and other emerging agricultural practices, including—

“(A) community gardens and farms located in urban areas, suburbs, and urban clusters;

“(B) rooftop farms, outdoor vertical production, and green walls;

“(C) indoor farms, greenhouses, and high-tech vertical technology farms;

“(D) hydroponic, aeroponic, and aquaponic farm facilities; and

“(E) other innovations in agricultural production, as determined by the Secretary.

“(4) RESPONSIBILITIES.—The Director shall be responsible for engaging in activities to carry out the mission described in paragraph (3), including by—

“(A) managing programs, including for community gardens, urban farms, rooftop agriculture, and indoor vertical production;

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“(B) advising the Secretary;

“(C) coordinating with the agencies and officials of the Department to update relevant programs;

“(D) engaging in stakeholder relations and developing external partnerships;

“(E) identifying common State and municipal best practices for navigating local policies;

“(F) coordinating networks of community gardens and facilitating connections to local food banks, in partnership with the Food and Nutrition Service; and

“(G) collaborating with other Federal agencies.

“(b) URBAN AGRICULTURE AND INNOVATIVE PRODUCTION ADVISORY COMMITTEE.—

“(1) IN GENERAL.—Not later than 180 days after the date of enactment of this section, the Secretary shall establish an Urban Agriculture and Innovative Production Advisory Committee (referred to in this subsection as the ‘Committee’) to advise the Secretary on—

“(A) the development of policies and outreach relating to urban, indoor, and other emerging agricultural production practices; and

“(B) any other aspects of the implementation of this section.

“(2) MEMBERSHIP.—

“(A) IN GENERAL.—The Committee shall be composed of 12 members, of whom—

“(i) 4 shall be individuals who are agricultural producers, of whom—

“(I) 2 individuals shall be agricultural producers located in an urban area or urban cluster; and

“(II) 2 individuals shall be farmers that use innovative technology;

“(ii) 2 shall be representatives from an institution of higher education or extension program;

“(iii) 1 shall be an individual who represents a nonprofit organization, which may include a public health, environmental, or community organization;

“(iv) 1 shall be an individual who represents business and economic development, which may include a business development entity, a chamber of commerce, a city government, or a planning organization;

“(v) 1 shall be an individual with supply chain experience, which may include a food aggregator, wholesale food distributor, food hub, or an individual who has direct-to-consumer market experience;

“(vi) 1 shall be an individual from a financing entity; and

“(vii) 2 shall be individuals with related experience or expertise in urban, indoor, and other emerging agriculture production practices, as determined by the Secretary.

“(B) INITIAL APPOINTMENTS.—The Secretary shall appoint the members of the Committee not later than 180 days after the date of enactment of this section.

“(3) PERIOD OF APPOINTMENT; VACANCIES.—

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“(A) IN GENERAL.—Except as provided in subparagraph (B), a member of the Committee shall be appointed for a term of 3 years.

“(B) INITIAL APPOINTMENTS.—Of the members first appointed to the Committee—

“(i) 4 of the members, as determined by the Secretary, shall be appointed for a term of 3 years;

“(ii) 4 of the members, as determined by the Secretary, shall be appointed for a term of 2 years; and

“(iii) 4 of the members, as determined by the Secretary, shall be appointed for a term of 1 year.

“(C) VACANCIES.—Any vacancy in the Committee—

“(i) shall not affect the powers of the Committee; and

“(ii) shall be filled as soon as practicable in the same manner as the original appointment.

“(D) CONSECUTIVE TERMS.—An initial appointee of the committee may serve an additional consecutive term if the member is reappointed by the Secretary.

“(4) MEETINGS.—

“(A) FREQUENCY.—The Committee shall meet not fewer than 3 times per year.

“(B) INITIAL MEETING.—Not later than 180 days after the date on which the members are appointed under paragraph (2)(B), the Committee shall hold the first meeting of the Committee.

“(5) DUTIES.—

“(A) IN GENERAL.—The Committee shall—

“(i) develop recommendations and advise the Director on policies, initiatives, and outreach administered by the Office of Urban Agriculture and Innovative Production;

“(ii) evaluate and review ongoing research and extension activities relating to urban, indoor, and other innovative agricultural practices;

“(iii) identify new and existing barriers to successful urban, indoor, and other emerging agricultural production practices; and

“(iv) provide additional assistance and advice to the Director as appropriate.

“(B) REPORTS.—Not later than 1 year after the date on which the Committee is established, and every 2 years through 2023, the Committee shall submit to the Secretary, the Committee on Agriculture of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the recommendations developed under subparagraph (A).

“(6) PERSONNEL MATTERS.—

“(A) COMPENSATION.—A member of the Committee shall serve without compensation.

“(B) TRAVEL EXPENSES.—A member of the Committee shall be allowed travel expenses, including per diem in lieu of subsistence, in accordance with section 5703 of title 5, United States Code.

“(7) TERMINATION.—

“(A) IN GENERAL.—Subject to subparagraph (B), the Committee shall terminate on the date that is 5 years



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after the date on which the members are appointed under paragraph (2)(B).

“(B) EXTENSIONS.—Before the date on which the Committee terminates, the Secretary may renew the Committee for 1 or more 2-year periods.

“(c) GRANTS.—The Director shall award competitive grants to support the development of urban agriculture and innovative production to any of the following eligible entities:

“(1) A nonprofit organization.

“(2) A unit of local government.

“(3) A Tribal government.

“(4) Any school that serves any of grades kindergarten through grade 12.

“(d) PILOT PROJECTS.—

“(1) URBAN AND SUBURBAN COUNTY COMMITTEES.—

“(A) IN GENERAL.—Not later than 1 year after the date of enactment of this section, the Secretary shall establish a pilot program for not fewer than 5 years that establishes 10 county committees in accordance with section 8(b)(5)(B)(ii)(II) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)(5)(B)(ii)(II)) to operate in counties located in urban or suburban areas with a high concentration of urban or suburban farms.

“(B) EFFECT.—Nothing in this paragraph requires or precludes the establishment of a Farm Service Agency office in a county in which a county committee is established under subparagraph (A).

“(C) REPORT.—For fiscal year 2019 and each fiscal year thereafter through fiscal year 2023, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing a summary of—

“(i) the status of the pilot program under subparagraph (A);

“(ii) meetings and other activities of the committees established under that subparagraph; and

“(iii) the types and volume of assistance and services provided to farmers in counties in which county committees are established under that subparagraph.

“(2) INCREASING COMMUNITY COMPOST AND REDUCING FOOD WASTE.—

“(A) IN GENERAL.—The Secretary, acting through the Director, shall carry out pilot projects under which the Secretary shall offer to enter into cooperative agreements with local or municipal governments in not fewer than 10 States to develop and test strategies for planning and implementing municipal compost plans and food waste reduction plans.

“(B) ELIGIBLE ENTITIES AND PURPOSES OF PILOT PROJECTS.—Under a cooperative agreement entered into under this paragraph, the Secretary shall provide assistance to municipalities, counties, local governments, or city planners, as appropriate, to carry out planning and implementing activities that will—

“(i) generate compost;

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“(ii) increase access to compost for agricultural producers;

“(iii) reduce reliance on, and limit the use of, fertilizer;

“(iv) improve soil quality;

“(v) encourage waste management and permaculture business development;

“(vi) increase rainwater absorption;

“(vii) reduce municipal food waste; and

“(viii) divert food waste from landfills.

“(C) EVALUATION AND RANKING OF APPLICATIONS.—

“(i) CRITERIA.—Not later than 180 days after the date of enactment of this section, the Secretary shall establish criteria for the selection of pilot projects under this paragraph.

“(ii) CONSIDERATION.—In selecting, undertaking, or funding pilot projects under this paragraph, the Secretary shall consider any commonly known significant impact on existing food waste recovery and disposal by commercial, marketing, or business relationships.

“(iii) PRIORITY.—In selecting a pilot project under this paragraph, the Secretary shall give priority to an application for a pilot project that—

“(I) anticipates or demonstrates economic benefits;

“(II) incorporates plans to make compost easily accessible to agricultural producers, including community gardeners;

“(III) integrates other food waste strategies, including food recovery efforts; and

“(IV) provides for collaboration with multiple partners.

“(D) MATCHING REQUIREMENT.—The recipient of assistance for a pilot project under this paragraph shall provide funds, in-kind contributions, or a combination of both from sources other than funds provided through the grant in an amount equal to not less than 25 percent of the amount of the grant.

“(E) EVALUATION.—The Secretary shall conduct an evaluation of the pilot projects funded under this paragraph to assess different solutions for increasing access to compost and reducing municipal food waste, including an evaluation of—

“(i) the amount of Federal funds used for each project; and

“(ii) a measurement of the outcomes of each project.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section and the amendments made by this section \$25,000,000 for each of fiscal years 2019 through 2023.”.

**SEC. 12303. TRIBAL ADVISORY COMMITTEE.**

Section 309 of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6921) is amended—

(1) by striking “The Secretary” and inserting the following: “(a) IN GENERAL.—The Secretary”; and

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(2) by adding at the end the following:

“(b) TRIBAL ADVISORY COMMITTEE.—

“(1) DEFINITIONS.—In this subsection:

“(A) INDIAN TRIBE.—The term ‘Indian tribe’ has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).

“(B) RELEVANT COMMITTEES OF CONGRESS.—The term ‘relevant committees of Congress’ means—

“(i) the Committee on Agriculture of the House of Representatives;

“(ii) the Committee on Agriculture, Nutrition, and Forestry of the Senate; and

“(iii) the Committee on Indian Affairs of the Senate.

“(C) TRIBAL ORGANIZATION.—The term ‘tribal organization’ has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).

“(2) ESTABLISHMENT OF COMMITTEE.—

“(A) IN GENERAL.—The Secretary shall establish an advisory committee, to be known as the Tribal Advisory Committee (referred to in this subsection as the ‘Committee’) to provide advice and guidance to the Secretary on matters relating to Tribal and Indian affairs.

“(B) FACILITATION.—The Committee shall facilitate, but not supplant, government-to-government consultation between the Department of Agriculture (referred to in this subsection as the ‘Department’) and Indian tribes.

“(3) MEMBERSHIP.—

“(A) COMPOSITION.—The Committee shall be composed of 11 members, of whom—

“(i) 3 shall be appointed by the Secretary;

“(ii) 1 shall be appointed by the chairperson of the Committee on Indian Affairs of the Senate;

“(iii) 1 shall be appointed by the ranking member of the Committee on Indian Affairs of the Senate;

“(iv) 1 shall be appointed by the chairperson of the Committee on Agriculture, Nutrition, and Forestry of the Senate;

“(v) 1 shall be appointed by the ranking member of the Committee on Agriculture, Nutrition, and Forestry of the Senate;

“(vi) 2 shall be appointed by the chairperson of the Committee on Agriculture of the House of Representatives; and

“(vii) 2 shall be appointed by the ranking member of the Committee on Agriculture of the House of Representatives.

“(B) NOMINATIONS.—The Secretary shall accept nominations for members of the Committee from any of the following:

“(i) An Indian tribe.

“(ii) A tribal organization.

“(iii) A national or regional organization with expertise in issues relating to the duties of the Committee described in paragraph (4).

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“(C) DIVERSITY.—To the maximum extent feasible, the Secretary shall ensure that the members of the Committee represent a diverse set of expertise on issues relating to geographic regions, Indian tribes, and the agricultural industry.

“(D) LIMITATION.—No member of the Committee shall be an officer or employee of the Federal Government.

“(E) PERIOD OF APPOINTMENT; VACANCIES.—

“(i) IN GENERAL.—Each member of the Committee—

“(I) subject to clause (ii), shall be appointed to a 3-year term; and

“(II) may be reappointed to not more than 3 consecutive terms.

“(ii) INITIAL STAGGERING.—The first 3 appointments by the Secretary under paragraph (3)(A)(i) shall be for a 2-year term.

“(iii) VACANCIES.—Any vacancy in the Committee shall be filled in the same manner as the original appointment not more than 90 days after the date on which the position becomes vacant.

“(F) MEETINGS.—

“(i) IN GENERAL.—The Committee shall meet in person not less than twice each year.

“(ii) OFFICE OF TRIBAL RELATIONS REPRESENTATIVE.—Not fewer than 1 representative from the Office of Tribal Relations of the Department shall be present at each meeting of the Committee.

“(iii) DEPARTMENT OF INTERIOR REPRESENTATIVE.—The Assistant Secretary for Indian Affairs of the Department of the Interior (or a designee) shall be present at each meeting of the Committee.

“(iv) NONVOTING REPRESENTATIVES.—The individuals described in clauses (ii) and (iii) shall be nonvoting representatives at meetings of the Committee.

“(4) DUTIES OF COMMITTEE.—The Committee shall—

“(A) identify evolving issues of relevance to Indian tribes relating to programs of the Department;

“(B) communicate to the Secretary the issues identified under subparagraph (A);

“(C) submit to the Secretary recommendations for, and solutions to—

“(i) the issues identified under subparagraph (A);

“(ii) issues raised at the Tribal, regional, or national level; and

“(iii) issues relating to any Tribal consultation carried out by the Department;

“(D) discuss issues and proposals for changes to the regulations, policies, and procedures of the Department that impact Indian tribes;

“(E) identify priorities and provide advice on appropriate strategies for Tribal consultation on issues at the Tribal, regional, or national level regarding the Department;

“(F) ensure that pertinent issues of the Department are brought to the attention of an Indian tribe in a timely

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manner so that timely feedback from an Indian tribe can be obtained; and

“(G) identify and propose solutions to any interdepartmental barrier between the Department and other Federal agencies.

“(5) REPORTS.—

“(A) IN GENERAL.—Not less frequently than once each year, the Committee shall submit to the Secretary and the relevant committees of Congress a report that describes—

“(i) the activities of the Committee during the previous year; and

“(ii) recommendations for legislative or administrative action for the following year.

“(B) RESPONSE FROM SECRETARY.—Not more than 45 days after the date on which the Secretary receives a report under subparagraph (A), the Secretary shall submit a written response to that report to—

“(i) the Committee; and

“(ii) the relevant committees of Congress.

“(6) COMPENSATION OF MEMBERS.—Members of the Committee shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Committee.

“(7) FEDERAL ADVISORY COMMITTEE ACT EXEMPTION.—Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Committee.”.

**SEC. 12304. BEGINNING FARMER AND RANCHER COORDINATION.**

Subtitle D of title VII of the Farm Security and Rural Investment Act of 2002 (as amended by sections 7506 and 12301(a)(1)) is further amended by inserting after section 7403 (7 U.S.C. 3119b note; Public Law 107–171) the following:

**“SEC. 7404. BEGINNING FARMER AND RANCHER COORDINATION.**

7 USC 6934a.

“(a) DEFINITIONS.—In this section:

“(1) BEGINNING FARMER OR RANCHER.—The term ‘beginning farmer or rancher’ has the meaning given such term in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)).

“(2) NATIONAL COORDINATOR.—The term ‘National Coordinator’ means the National Beginning Farmer and Rancher Coordinator established under subsection (b)(1).

“(3) STATE COORDINATOR.—The term ‘State coordinator’ means a State beginning farmer and rancher coordinator designated under subsection (c)(1)(A).

“(4) STATE OFFICE.—The term ‘State office’ means—

“(A) a State office of—

“(i) the Farm Service Agency;

“(ii) the Natural Resources Conservation Service;

“(iii) the Rural Business-Cooperative Service; or

“(iv) the Rural Utilities Service; or

“(B) a regional office of the Risk Management Agency.

“(b) NATIONAL BEGINNING FARMER AND RANCHER COORDINATOR.—

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“(1) ESTABLISHMENT.—The Secretary shall establish in the Department the position of National Beginning Farmer and Rancher Coordinator.

“(2) DUTIES.—

“(A) IN GENERAL.—The National Coordinator shall—

“(i) advise the Secretary and coordinate activities of the Department on programs, policies, and issues relating to beginning farmers and ranchers; and

“(ii) in consultation with the applicable State food and agriculture council, determine whether to approve a plan submitted by a State coordinator under subsection (c)(3)(B).

“(B) DISCRETIONARY DUTIES.—Additional duties of the National Coordinator may include—

“(i) developing and implementing new strategies—

“(I) for outreach to beginning farmers and ranchers; and

“(II) to assist beginning farmers and ranchers with connecting to owners or operators that have ended, or expect to end within 5 years, actively owning or operating a farm or ranch; and

“(ii) facilitating interagency and interdepartmental collaboration on issues relating to beginning farmers and ranchers.

“(3) REPORTS.—Not less frequently than once each year, the National Coordinator shall distribute within the Department and make publicly available a report describing the status of steps taken to carry out the duties described in subparagraphs (A) and (B) of paragraph (2).

“(4) CONTRACTS AND COOPERATIVE AGREEMENTS.—In carrying out the duties under paragraph (2), the National Coordinator may enter into a contract or cooperative agreement with an institution of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)), cooperative extension services (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)), or a nonprofit organization—

“(A) to conduct research on the profitability of new farms in operation for not less than 5 years in a region;

“(B) to develop educational materials;

“(C) to conduct workshops, courses, training, or certified vocational training; or

“(D) to conduct mentoring activities.

“(c) STATE BEGINNING FARMER AND RANCHER COORDINATORS.—

“(1) IN GENERAL.—

“(A) DESIGNATION.—The National Coordinator, in consultation with State food and agriculture councils and directors of State offices, shall designate in each State a State beginning farmer and rancher coordinator from among employees of State offices.

“(B) REQUIREMENTS.—To be designated as a State coordinator, an employee shall—

“(i) be familiar with issues relating to beginning farmers and ranchers; and

“(ii) have the ability to coordinate with other Federal departments and agencies.



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“(2) TRAINING.—The Secretary shall develop a training plan to provide to each State coordinator knowledge of programs and services available from the Department for beginning farmers and ranchers, taking into consideration the needs of all production types and sizes of agricultural operations.

“(3) DUTIES.—A State coordinator shall—

“(A) coordinate technical assistance at the State level to assist beginning farmers and ranchers in accessing programs of the Department;

“(B) develop and submit to the National Coordinator for approval under subsection (b)(2)(A)(ii) a State plan to improve the coordination, delivery, and efficacy of programs of the Department to beginning farmers and ranchers, taking into consideration the needs of all types of production methods and sizes of agricultural operation, at each county and area office in the State;

“(C) oversee implementation of an approved State plan described in subparagraph (B);

“(D) work with outreach coordinators in the State offices to ensure appropriate information about technical assistance is available at outreach events and activities; and

“(E) coordinate partnerships and joint outreach efforts with other organizations and government agencies serving beginning farmers and ranchers.”.

**SEC. 12305. AGRICULTURAL YOUTH ORGANIZATION COORDINATOR.**

Subtitle D of title VII of the Farm Security and Rural Investment Act of 2002 (as amended by sections 7506, section 12301(a)(1), and 12304) is further amended by inserting after section 7404, as added by section 12304, the following:

**“SEC. 7405. AGRICULTURAL YOUTH ORGANIZATION COORDINATOR.**

7 USC 6934b.

“(a) AUTHORIZATION.—The Secretary shall establish in the Department the position of Agricultural Youth Organization Coordinator.

“(b) DUTIES.—The Agricultural Youth Organization Coordinator shall—

“(1) promote the role of youth-serving organizations and school-based agricultural education in motivating and preparing young people to pursue careers in the agriculture, food, and natural resources systems;

“(2) work to help build youth awareness of the reach and importance of agriculture, across a diversity of fields and disciplines;

“(3) identify short-term and long-term interests of the Department and provide opportunities, resources, input, and coordination with programs and agencies of the Department to youth-serving organizations and school-based agricultural education, including the development of internship opportunities;

“(4) share, internally and externally, the extent to which active steps are being taken to encourage collaboration with, and support of, youth-serving organizations and school-based agricultural education;

“(5) provide information to youth involved in food and agriculture organizations concerning the availability of, and

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eligibility requirements for, participation in agricultural programs, with particular emphasis on beginning farmer and rancher programs;

“(6) serve as a resource for assisting youth involved in food and agriculture organizations in applying for participation in agriculture; and

“(7) advocate on behalf of youth involved in food and agriculture organizations in interactions with employees of the Department.

“(c) **CONTRACTS AND COOPERATIVE AGREEMENTS.**—For purposes of carrying out the duties under subsection (b), the Agricultural Youth Organization Coordinator shall consult with the cooperative extension and the land-grant university systems, and may enter into contracts or cooperative agreements with the research centers of the Agricultural Research Service, cooperative extension and the land-grant university systems, non-land-grant colleges of agriculture, or nonprofit organizations for—

“(1) the conduct of regional research on the profitability of small farms;

“(2) the development of educational materials;

“(3) the conduct of workshops, courses, and certified vocational training;

“(4) the conduct of mentoring activities; or

“(5) the provision of internship opportunities.”.

**SEC. 12306. AVAILABILITY OF DEPARTMENT OF AGRICULTURE PROGRAMS FOR VETERAN FARMERS AND RANCHERS.**

(a) **DEFINITION OF VETERAN FARMER OR RANCHER.**—Paragraph (7) of subsection (a) (as redesignated by section 12301(b)(3)) of section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279) is amended—

(1) in subparagraph (A), by striking “or” at the end;

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

(3) by adding at the end the following:

“(C) is a veteran (as defined in section 101 of that title) who has first obtained status as a veteran (as so defined) during the most recent 10-year period.”.

(b) **FEDERAL CROP INSURANCE.**—

(1) **DEFINITION OF VETERAN FARMER OR RANCHER.**—Section 502(b) of the Federal Crop Insurance Act (7 U.S.C. 1502(b)) (as amended by section 11101) is amended by adding at the end the following:

“(14) **VETERAN FARMER OR RANCHER.**—The term ‘veteran farmer or rancher’ means a farmer or rancher who—

“(A) has served in the Armed Forces (as defined in section 101 of title 38, United States Code); and

“(B)(i) has not operated a farm or ranch;

“(ii) has operated a farm or ranch for not more than 5 years; or

“(iii) is a veteran (as defined in section 101 of that title) who has first obtained status as a veteran (as so defined) during the most recent 5-year period.”.

(2) **CROP INSURANCE.**—Section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508) is amended—

(A) in subsection (b)(5)(E)—

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(i) by striking “The Corporation” and inserting the following:

“(i) IN GENERAL.—The Corporation”; and

(ii) in clause (i) (as so designated), by striking the period at the end and inserting the following: “, and veteran farmers or ranchers.”

“(ii) COORDINATION.—The Corporation shall coordinate with other agencies of the Department that provide programs or services to farmers and ranchers described in clause (i) to make available coverage under the waiver under that clause and to share eligibility information to reduce paperwork and avoid duplication.”;

(B) in subsection (e)(8)—

(i) in the paragraph heading, by inserting “AND VETERAN” after “BEGINNING”; and

(ii) by inserting “or veteran farmer or rancher” after “beginning farmer or rancher” each place it appears; and

(C) in subsection (g)—

(i) in paragraph (2)(B)(iii), in the matter preceding subclause (I), by inserting “or veteran farmer or rancher” after “beginning farmer or rancher” each place it appears; and

(ii) in paragraph (4)(B)(ii)(II), by inserting “and veteran farmers or ranchers” after “beginning farmers or ranchers”.

(3) EDUCATION AND RISK MANAGEMENT ASSISTANCE.—Paragraph (3) of section 524(a) of the Federal Crop Insurance Act (7 U.S.C. 1524(a)), as redesignated by section 11125(a)(3), is amended—

(A) in subparagraph (D)(ii), by striking “and” at the end;

(B) in subparagraph (E), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(F) veteran farmers or ranchers.”.

(c) DOWN PAYMENT LOAN PROGRAM.—Section 310E of the Consolidated Farm and Rural Development Act (7 U.S.C. 1935) is amended—

(1) in subsection (a)(1), by striking “qualified beginning farmers or ranchers and socially disadvantaged farmers or ranchers” and inserting “eligible farmers or ranchers”;

(2) in subsection (d)—

(A) in paragraph (2)(A), by striking “recipients of the loans” and inserting “farmers or ranchers”;

(B) by striking paragraph (3) and inserting the following:

“(3) encourage retiring farmers and ranchers to assist in the sale of their farms and ranches to eligible farmers or ranchers by providing seller financing;”;

(C) in paragraph (4), by striking “for beginning farmers or ranchers or socially disadvantaged farmers or ranchers” and inserting the following: “for—

“(A) beginning farmers or ranchers;

“(B) socially disadvantaged farmers or ranchers, as defined in section 355(e); or

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“(C) veteran farmers or ranchers, as defined in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)); and”; and

(D) in paragraph (5), by striking “a qualified beginning farmer or rancher or socially disadvantaged farmer or rancher” and inserting “an eligible farmer or rancher”; and

(3) by striking subsection (e) and inserting the following:

“(e) DEFINITION OF ELIGIBLE FARMER OR RANCHER.—In this section, the term ‘eligible farmer or rancher’ means—

“(1) a qualified beginning farmer or rancher;

“(2) a socially disadvantaged farmer or rancher, as defined in section 355(e); and

“(3) a veteran farmer or rancher, as defined in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)).”.

(d) INTEREST RATE REDUCTION PROGRAM.—Section 351(e)(2)(B) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1999(e)(2)(B)) is amended—

(1) in the subparagraph heading, by inserting “AND VETERAN” after “BEGINNING”;

(2) in clause (i), by inserting “or veteran farmers and ranchers (as defined in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)))” before the period at the end; and

(3) in clause (ii), by striking “beginning”.

(e) NATIONAL FOOD SAFETY TRAINING, EDUCATION, EXTENSION, OUTREACH, AND TECHNICAL ASSISTANCE PROGRAM.—Section 405(c) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7625(c)) is amended by inserting “veteran farmers or ranchers (as defined in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)))” after “socially disadvantaged farmers.”.

(f) ADMINISTRATION AND OPERATION OF NONINSURED CROP ASSISTANCE PROGRAM.—Section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333) is amended—

(1) in subsection (k)(2), by inserting “, or a veteran farmer or rancher (as defined in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)))” before the period at the end; and

(2) in subsection (l), in paragraph (3) (as redesignated by section 1601(7)(D))—

(A) in the paragraph heading, by inserting “VETERAN,” before “AND SOCIALLY”; and

(B) by inserting “and veteran farmers or ranchers (as defined in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)))” before “in exchange”.

(g) FUNDING FOR TRANSITION OPTION FOR CERTAIN FARMERS OR RANCHERS.—Section 1241(a)(1)(B) of the Food Security Act of 1985 (16 U.S.C. 3841(a)(1)(B)) is amended by striking “beginning farmers or ranchers and socially disadvantaged farmers or ranchers” and inserting “covered farmers or ranchers, as defined in section 1235(f)(1)”.

(h) SUPPLEMENTAL AGRICULTURAL DISASTER ASSISTANCE.—

(1) DEFINITION OF COVERED PRODUCER.—Section 1501(a) of the Agricultural Act of 2014 (7 U.S.C. 9081(a)) is amended—

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(A) by redesignating paragraphs (1) through (4) as paragraphs (2) through (5), respectively; and

(B) by inserting before paragraph (2) (as so redesignated) the following:

“(1) COVERED PRODUCER.—The term ‘covered producer’ means an eligible producer on a farm that is—

“(A) as determined by the Secretary—

“(i) a beginning farmer or rancher;

“(ii) a socially disadvantaged farmer or rancher;

or

“(iii) a limited resource farmer or rancher; or

“(B) a veteran farmer or rancher, as defined in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)).”.

(2) EMERGENCY ASSISTANCE FOR LIVESTOCK, HONEY BEES, AND FARM-RAISED FISH.—Section 1501(d) of the Agricultural Act of 2014 (7 U.S.C. 9081(d)) is amended by adding at the end the following:

“(4) PAYMENT RATE FOR COVERED PRODUCERS.—In the case of a covered producer that is eligible to receive assistance under this subsection, the Secretary shall provide reimbursement of 90 percent of the cost of losses described in paragraph (1) or (2).”.

## Subtitle D—Department of Agriculture Reorganization Act of 1994 Amendments

### SEC. 12401. OFFICE OF CONGRESSIONAL RELATIONS AND INTERGOVERNMENTAL AFFAIRS.

(a) ASSISTANT SECRETARIES OF AGRICULTURE.—Section 218(a)(1) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6918(a)(1)) is amended by striking “Relations” and inserting “Relations and Intergovernmental Affairs”.

(b) SUCCESSION.—Any official who is serving as the Assistant Secretary of Agriculture for Congressional Relations on the date of enactment of this Act and who was appointed by the President, by and with the advice and consent of the Senate, shall not be required to be reappointed as a result of the change made to the name of that position under the amendment made by subsection (a).

7 USC 6918 note.

### SEC. 12402. MILITARY VETERANS AGRICULTURAL LIAISON.

Section 219 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6919) is amended—

(1) in subsection (b)—

(A) in paragraph (3), by striking “and” at the end;

(B) in paragraph (4), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

“(5) establish and periodically update the website described in subsection (d); and

“(6) in carrying out the duties described in paragraphs (1) through (5), consult with and provide technical assistance to any Federal agency, including the Department of Defense, the Department of Veterans Affairs, the Small Business Administration, and the Department of Labor.”; and

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(2) by adding at the end the following:

“(d) WEBSITE REQUIRED.—

“(1) IN GENERAL.—The website required under subsection (b)(5) shall include the following:

“(A) Positions identified within the Department of Agriculture that are available to veterans for apprenticeships.

“(B) Apprenticeships, programs of training on the job, and programs of education that are approved for purposes of chapter 36 of title 38, United States Code.

“(C) Employment skills training programs for members of the Armed Forces carried out pursuant to section 1143(e) of title 10, United States Code.

“(D) Information designed to assist businesses, non-profit entities, educational institutions, and farmers interested in developing apprenticeships, on-the-job training, educational, or entrepreneurial programs for veterans in navigating the process of having a program approved by a State approving agency for purposes of chapter 36 of title 38, United States Code, including—

“(i) contact information for relevant offices in the Department of Defense, Department of Veterans Affairs, Department of Labor, and Small Business Administration;

“(ii) basic requirements for approval by each State approving agency;

“(iii) recommendations with respect to training and coursework to be used during apprenticeships or on-the-job training that will enable a veteran to be eligible for agricultural programs; and

“(iv) examples of successful programs and curriculums that have been approved for purposes of chapter 36 of title 38, United States Code (with consent of the organization and without any personally identifiable information).

“(2) REVIEW OF WEBSITE.—

“(A) IN GENERAL.—Not later than 5 years after the date of enactment of this paragraph, and once every 5 years thereafter, the Secretary shall conduct a study to determine if the website required under subsection (b)(5) is effective in providing veterans the information required under paragraph (1).

“(B) INEFFECTIVE WEBSITE.—If the Secretary determines that the website is not effective under subparagraph (A), the Secretary shall—

“(i) notify the agriculture and veterans committees described in subparagraph (C) of that determination; and

“(ii) not earlier than 180 days after the date on which the Secretary provides notice under clause (i), terminate the website.

“(C) AGRICULTURE AND VETERANS COMMITTEES.—The agriculture and veterans committees referred to in subparagraph (B)(i) are—

“(i) the Committee on Agriculture of the House of Representatives;

“(ii) the Committee on Agriculture, Nutrition, and Forestry of the Senate;



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“(iii) the Committee on Veterans’ Affairs of the House of Representatives; and

“(iv) the Committee on Veterans’ Affairs of the Senate.

“(e) CONSULTATION REQUIRED.—In carrying out this section, the Secretary shall consult with organizations that serve veterans.

“(f) REPORT.—

“(1) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, and annually thereafter, the Military Veterans Agricultural Liaison shall submit a report on beginning farmer training for veterans and agricultural vocational and rehabilitation programs for veterans to—

“(A) the Committee on Agriculture of the House of Representatives;

“(B) the Committee on Veterans’ Affairs of the House of Representatives;

“(C) the Committee on Agriculture, Nutrition, and Forestry of the Senate; and

“(D) the Committee on Veterans’ Affairs of the Senate.

“(2) CONTENTS OF REPORT.—The report submitted under paragraph (1) shall include—

“(A) a summary of the measures taken to carry out subsections (b) and (c);

“(B) a description of the information provided to veterans under paragraphs (1) and (2) of subsection (b);

“(C) recommendations for best informing veterans of the programs described in paragraphs (1) and (2) of subsection (b);

“(D) a summary of the contracts or cooperative agreements entered into under subsection (c);

“(E) a description of the programs implemented under subsection (c);

“(F) a summary of the employment outreach activities directed to veterans;

“(G) recommendations for how opportunities for veterans in agriculture should be developed or expanded;

“(H) a summary of veteran farm lending data and a summary of shortfalls, if any, identified by the Military Veterans Agricultural Liaison in collecting data with respect to veterans engaged in agriculture; and

“(I) recommendations, if any, on how to improve activities under subsection (b).

“(g) PUBLIC DISSEMINATION OF INFORMATION.—

“(1) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, and annually thereafter, the Military Veterans Agricultural Liaison shall make publicly available and share broadly, including by posting on the website of the Department—

“(A) the report of the Military Veterans Agricultural Liaison on beginning farmer training for veterans and agricultural vocational and rehabilitation programs; and

“(B) the information disseminated under paragraphs (1) and (2) of subsection (b).

“(2) FURTHER DISSEMINATION.—Not later than the day before the date on which the Military Veterans Agricultural

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Liaison makes publicly available the information under paragraph (1), the Military Veterans Agricultural Liaison shall provide that information to the Department of Defense, the Department of Veterans Affairs, the Small Business Administration, and the Department of Labor.”.

**SEC. 12403. CIVIL RIGHTS ANALYSES.**

(a) **IN GENERAL.**—The Secretary shall conduct civil rights impact analyses in accordance with Departmental Regulation 4300-004 issued by the Department of Agriculture on October 17, 2016, with respect to the Department of Agriculture’s employment, federally-conducted programs and activities, and federally-assisted programs and activities.

(b) **STUDY; REPORT.**—

(1) **STUDY.**—Not later than 2 years after the date of enactment of this Act, the Comptroller General of the United States (referred to in this section as the “Comptroller General”) shall conduct a study describing—

(A) the effectiveness of the Department of Agriculture in processing and resolving civil rights complaints;

(B) minority participation rates in farm programs, including a comparison of overall farmer and rancher participation with minority farmer and rancher participation by considering particular aspects of the programs of the Department of Agriculture for producers, such as ownership status, program participation, usage of permits, and waivers;

(C) the realignment of the civil rights functions of the Department of Agriculture, as outlined in Secretarial Memorandum 1076–023 (March 9, 2018), including an analysis of whether that realignment has any negative implications on the civil rights functions of the Department;

(D) efforts of the Department of Agriculture to identify actions, programs, or activities of the Department of Agriculture that may adversely affect employees, contractors, or beneficiaries (including participants) of the action, program, or activity based on the membership of the employees, contractors, or beneficiaries in a group that is protected under Federal law from discrimination in employment, contracting, or provision of an action, program, or activity, as applicable; and

(E) efforts of the Department of Agriculture to strategically plan actions to decrease discrimination and civil rights complaints within the Department of Agriculture or in the carrying out of the programs and authorities of the Department of Agriculture.

(2) **REPORT.**—Not later than 60 days after the date of completion of the study under paragraph (1), the Comptroller General shall submit a report describing the results of the study to—

(A) the Committee on Agriculture of the House of Representatives; and

(B) the Committee on Agriculture, Nutrition, and Forestry of the Senate.

**SEC. 12404. FARM SERVICE AGENCY.**

(a) **IN GENERAL.**—Section 226 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6932) is amended—

(1) in the section heading, by striking “**CONSOLIDATED FARM**” and inserting “**FARM**”;

(2) in subsection (b), in the subsection heading, by striking “**OF CONSOLIDATED FARM SERVICE AGENCY**”; and

(3) by striking “Consolidated Farm” each place it appears and inserting “Farm”.

(b) **CONFORMING AMENDMENTS.**—

(1) Section 246 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6962) is amended—

(A) in subsection (c), by striking “Consolidated Farm” each place it appears and inserting “Farm”; and

(B) in subsection (e)(2), by striking “Consolidated Farm” each place it appears and inserting “Farm”.

(2) Section 271(2)(A) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6991(2)(A)) is amended by striking “Consolidated Farm” each place it appears and inserting “Farm”.

(3) Section 275(b) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6995(b)) is amended by striking “Consolidated Farm” each place it appears and inserting “Farm”.

**SEC. 12405. UNDER SECRETARY OF AGRICULTURE FOR FARM PRODUCTION AND CONSERVATION.**

(a) **OFFICE OF RISK MANAGEMENT.**—Section 226A(d)(1) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6933(d)(1)) is amended by striking “Under Secretary of Agriculture for Farm and Foreign Agricultural Services” and inserting “Under Secretary of Agriculture for Farm Production and Conservation”.

(b) **MULTIAGENCY TASK FORCE.**—Section 242(b)(3) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6952(b)(3)) is amended by striking “Under Secretary for Farm and Foreign Agricultural Services” and inserting “Under Secretary of Agriculture for Farm Production and Conservation”.

(c) **FOOD AID CONSULTATIVE GROUP.**—Section 205(b)(2) of the Food for Peace Act (7 U.S.C. 1725(b)(2)) is amended by striking “Under Secretary of Agriculture for Farm and Foreign Agricultural Services” and inserting “Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs”.

(d) **INTERAGENCY COMMITTEE ON MINORITY CAREERS IN INTERNATIONAL AFFAIRS.**—Section 625(c)(1)(A) of the Higher Education Act of 1965 (20 U.S.C. 1131c(c)(1)(A)) is amended by striking “Under Secretary” and all that follows through “designee” and inserting “Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs, or the designee of that Under Secretary”.

**SEC. 12406. OFFICE OF PARTNERSHIPS AND PUBLIC ENGAGEMENT.**

(a) **CHANGING NAME OF OFFICE.**—

(1) **IN GENERAL.**—Section 226B of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6934) is amended—

(A) in the section heading, by striking “**ADVOCACY AND OUTREACH**” and inserting “**PARTNERSHIPS AND PUBLIC ENGAGEMENT**”; and

(B) by striking “Advocacy and Outreach” each place it appears in subsections (a)(2), (b)(1), and (d)(4)(B) and inserting “Partnerships and Public Engagement”.

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7 USC 6934 note.

(2) REFERENCES.—Beginning on the date of the enactment of this Act, any reference to the Office of Advocacy and Outreach established under section 226B of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6934) in any provision of Federal law shall be deemed to be a reference to the Office of Partnerships and Public Engagement.

(b) INCREASING OUTREACH.—Section 226B of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6934), as amended by subsection (a), is further amended—

(1) in subsection (b)(1)—

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

(B) in subparagraph (B)—

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

(ii) in clause (iii), by striking the period at the end and inserting a semicolon; and

(iii) by adding at the end the following new clauses:

“(iv) limited resource producers; and

“(v) veteran farmers and ranchers; and”;

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

“(C) to promote youth outreach.”; and

(2) in subsection (c)—

(A) in the matter preceding paragraph (1), by inserting “veteran farmers and ranchers,” after “beginning farmers or ranchers,”;

(B) in paragraph (1), by striking “or socially disadvantaged” and inserting “socially disadvantaged, or veteran”; and

(C) in paragraph (5), by inserting “veteran farmers or ranchers,” after “beginning farmers or ranchers,”.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 226B(f)(3)(B) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6934(f)(3)(B)) is amended by striking “2018” and inserting “2023”.

**SEC. 12407. UNDER SECRETARY OF AGRICULTURE FOR RURAL DEVELOPMENT.**

Section 231 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6941) is amended—

(1) in subsection (a), by striking “is authorized to” and inserting “shall”; and

(2) in subsection (b), by striking “If the Secretary” and all that follows through “the Under Secretary shall” and inserting “The Under Secretary of Agriculture for Rural Development shall”.

**SEC. 12408. ADMINISTRATOR OF THE RURAL UTILITIES SERVICE.**

(a) RATE OF PAY.—

(1) IN GENERAL.—Section 232(b) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6942(b)) is amended to read as follows:

“(b) ADMINISTRATOR.—

“(1) APPOINTMENT.—The Rural Utilities Service shall be headed by an Administrator who shall be appointed by the President.

“(2) COMPENSATION.—The Administrator of the Rural Utilities Service shall receive basic pay at a rate not to exceed the maximum amount of compensation payable to a member

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of the Senior Executive Service under subsection (b) of section 5382 of title 5, United States Code.”

(2) CONFORMING AMENDMENT.—Section 5315 of title 5, United States Code, is amended by striking “Administrator, Rural Utilities Service, Department of Agriculture.”

(b) OTHER AMENDMENT RELATING TO ADMINISTRATOR.—Section 748 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2002 (7 U.S.C. 918b) is amended by inserting “the Secretary of Agriculture, acting through” before “the Administrator of the Rural Utilities Service”.

**SEC. 12409. RURAL HEALTH LIAISON.**

Subtitle C of title II of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6941 et seq.) is amended by adding at the end the following:

**“SEC. 236. RURAL HEALTH LIAISON.**

7 USC 6946.

“(a) AUTHORIZATION.—The Secretary shall establish in the Department the position of Rural Health Liaison.

“(b) DUTIES.—The Rural Health Liaison shall—

“(1) in consultation with the Secretary of Health and Human Services, coordinate the role of the Department with respect to rural health;

“(2) integrate across the Department the strategic planning and activities relating to rural health;

“(3) improve communication relating to rural health within the Department and between Federal agencies;

“(4) advocate on behalf of the health care and relevant infrastructure needs in rural areas;

“(5) provide to stakeholders, potential grant applicants, Federal agencies, State agencies, Indian Tribes, private organizations, and academic institutions relevant data and information, including the eligibility requirements for, and availability and outcomes of, Department programs applicable to the advancement of rural health;

“(6) maintain communication with public health, medical, occupational safety, and telecommunication associations, research entities, and other stakeholders to ensure that the Department is aware of current and upcoming issues relating to rural health;

“(7) consult on programs, pilot projects, research, training, and other affairs relating to rural health at the Department and other Federal agencies;

“(8) provide expertise on rural health to support the activities of the Secretary as Chair of the Council on Rural Community Innovation and Economic Development; and

“(9) provide technical assistance and guidance with respect to activities relating to rural health to the outreach, extension, and county offices of the Department.”

**SEC. 12410. NATURAL RESOURCES CONSERVATION SERVICE.**

(a) FIELD OFFICES.—Section 246 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6962) (as amended by section 12404(b)(1)) is amended by adding at the end the following:

“(g) FIELD OFFICES.—

“(1) IN GENERAL.—The Secretary shall not close any field office of the Natural Resources Conservation Service unless,

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not later than 30 days before the date of the closure, the Secretary submits to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a notification of the closure.

“(2) EMPLOYEES.—The Secretary shall not permanently relocate any field-based employees of the Natural Resources Conservation Service or the rural development mission area if doing so would result in a field office of the Natural Resources Conservation Service or the rural development mission area with 2 or fewer employees, unless, not later than 30 days before the date of the permanent relocation, the Secretary submits to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a notification of the permanent relocation.

“(3) SUNSET.—The requirements under paragraphs (1) and (2) shall cease to be effective on September 30, 2023.”.

(b) TECHNICAL CORRECTIONS.—Section 246 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6962) (as amended by subsection (a)) is further amended—

(1) in subsection (b)—

(A) by striking paragraph (2);

(B) by redesignating paragraphs (3) through (6) as paragraphs (2) through (5), respectively;

(C) in paragraph (4) (as so redesignated), by inserting “; Public Law 101–624” after “note”; and

(D) in paragraph (5) (as so redesignated), by striking “3831–3836” and inserting “3831 et seq.”; and

(2) in subsection (c), in the matter preceding paragraph (1), by striking “paragraphs (1), (2), and (4) of subsection (b) and the program under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837–3837f)” and inserting “paragraphs (1) and (3) of subsection (b)”.

(c) RELOCATION IN ACT.—

(1) IN GENERAL.—Section 246 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6962) (as amended by subsections (a) and (b)) is—

(A) redesignated as section 228; and

(B) moved so as to appear at the end of subtitle B of title II (7 U.S.C. 6931 et seq.).

(2) CONFORMING AMENDMENTS.—

(A) Section 226 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6932) (as amended by section 12404(a)) is amended—

(i) in subsection (b)(5), by striking “section 246(b)” and inserting “section 228(b)”; and

(ii) in subsection (g)(2), by striking “section 246(b)” and inserting “section 228(b)”.

(B) Section 271(2)(F) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6991(2)(F)) is amended by striking “section 246(b)” and inserting “section 228(b)”.

**SEC. 12411. OFFICE OF THE CHIEF SCIENTIST.**

(a) IN GENERAL.—Section 251(e) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6971(e)) is amended—



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(1) in the subsection heading, by striking “RESEARCH, EDUCATION, AND EXTENSION OFFICE” and inserting “OFFICE OF THE CHIEF SCIENTIST”;

(2) in paragraph (1), by striking “Research, Education, and Extension Office” and inserting “Office of the Chief Scientist”;

(3) in paragraph (2), in the matter preceding subparagraph (A), by striking “Research, Education, and Extension Office” and inserting “Office of the Chief Scientist”;

(4) in paragraph (3)(C), by striking “subparagraph (A) shall not exceed 4 years” and inserting “clauses (i) and (iii) of subparagraph (A) shall be for not less than 3 years”;

(5) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively;

(6) by inserting after paragraph (3) the following:

“(4) ADDITIONAL LEADERSHIP DUTIES.—In addition to selecting the Division Chiefs under paragraph (3), using available personnel authority under title 5, United States Code, the Under Secretary shall select personnel—

“(A) to oversee implementation, training, and compliance with the scientific integrity policy of the Department;

“(B)(i) to integrate strategic program planning and evaluation functions across the programs of the Department; and

“(ii) to help prepare the annual report to Congress on the relevance and adequacy of programs under the jurisdiction of the Under Secretary;

“(C) to assist the Chief Scientist in coordinating the international engagements of the Department with the Department of State and other international agencies and offices of the Federal Government; and

“(D) to oversee other duties as may be required by Federal law or Department policy.”;

(7) in paragraph (5) (as so redesignated)—

(A) in subparagraph (A), by striking “Notwithstanding” and inserting the following:

“(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as are necessary to fund the costs of Division personnel.

“(ii) ADDITIONAL FUNDING.—In addition to amounts made available under clause (i), notwithstanding”; and

(B) in subparagraph (C)—

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

(ii) in clause (ii), by striking the period at the end and inserting “; and”; and

(iii) by adding at the end the following:

“(iii) provides strong staff continuity to the Office of the Chief Scientist.”; and

(8) in paragraph (6) (as so redesignated), by striking “Research, Education and Extension Office” and inserting “Office of the Chief Scientist”.

(b) CONFORMING AMENDMENTS.—

(1) Section 251(f)(5)(B) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6971(f)(5)(B)) is amended by striking “Research, Education and Extension Office” and inserting “Office of the Chief Scientist”.

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(2) Section 296(b)(6)(B) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 7014(b)(6)(B)) is amended by striking “Research, Education, and Extension Office” and inserting “Office of the Chief Scientist”.

**SEC. 12412. APPOINTMENT OF NATIONAL APPEALS DIVISION HEARING OFFICERS.**

Section 272(e) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6992(e)) is amended to read as follows:

“(e) DIVISION PERSONNEL.—

“(1) IN GENERAL.—The Director shall recommend to the Secretary persons for appointment as hearing officers as are necessary for the conduct of hearings under section 277. The Director shall appoint such other employees as are necessary for the administration of the Division. A hearing officer or other employee of the Division shall have no duties other than those that are necessary to carry out this subtitle. Each position of the Division shall be filled by an individual who is not a political appointee.

“(2) POLITICAL APPOINTEE.—In this subsection, the term ‘political appointee’ means an individual occupying—

“(A) a position described under sections 5312 through 5316 of title 5, United States Code (relating to the Executive Schedule);

“(B) a noncareer position in the Senior Executive Service, as described under section 3132(a)(7) of that title;

“(C) a position in the executive branch of the Government of a confidential or policy-determining character under schedule C of subpart C of part 213 of title 5, Code of Federal Regulations; or

“(D) a position which has been excepted from the competitive service by reason of its confidential, policy-determining, policy-making, or policy-advocating character.”.

**SEC. 12413. TRADE AND FOREIGN AGRICULTURAL AFFAIRS.**

The Department of Agriculture Reorganization Act of 1994 is amended—

(1) by redesignating subtitle J (7 U.S.C. 7011 et seq.) as subtitle K; and

(2) by inserting after subtitle I (7 U.S.C. 7005 et seq.) the following:

**“Subtitle J—Trade and Foreign  
Agricultural Affairs**

7 USC 7007.

**“SEC. 287. UNDER SECRETARY OF AGRICULTURE FOR TRADE AND FOREIGN AGRICULTURAL AFFAIRS.**

“(a) ESTABLISHMENT.—There is established in the Department the position of Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs.

“(b) APPOINTMENT.—The Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs shall be appointed by the President, by and with the advice and consent of the Senate.

“(c) FUNCTIONS.—

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“(1) PRINCIPAL FUNCTIONS.—The Secretary shall delegate to the Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs those functions and duties under the jurisdiction of the Department that are related to trade and foreign agricultural affairs.

“(2) ADDITIONAL FUNCTIONS.—The Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs shall perform such other functions and duties as may be—

“(A) required by law; or

“(B) prescribed by the Secretary.”.

**SEC. 12414. REPEALS.**

(a) DEPARTMENT OF AGRICULTURE REORGANIZATION ACT OF 1994.—The following provisions of the Department of Agriculture Reorganization Act of 1994 are repealed:

- (1) Section 211 (7 U.S.C. 6911).
- (2) Section 213 (7 U.S.C. 6913).
- (3) Section 214 (7 U.S.C. 6914).
- (4) Section 217 (7 U.S.C. 6917).
- (5) Section 247 (7 U.S.C. 6963).
- (6) Section 252 (7 U.S.C. 6972).
- (7) Section 295 (7 U.S.C. 7013).

(b) OTHER PROVISION.—Section 3208 of the Agricultural Act of 2014 (7 U.S.C. 6935) is repealed.

(c) RULE OF CONSTRUCTION.—Nothing in the amendments made by this section shall be construed as affecting—

(1) the authority of the Secretary to continue to carry out a function vested in, and performed by, the Secretary as of the date of enactment of this Act under any provision of Federal law other than the provisions repealed by subsections (a) and (b); or

(2) the authority of an agency, office, officer, or employee of the Department of Agriculture to continue to perform all functions delegated or assigned to the agency, office, officer, or employee as of the date of enactment of this Act any provision of Federal law other than the provisions repealed by subsections (a) and (b).

**SEC. 12415. TECHNICAL CORRECTIONS.**

(a) OFFICE OF RISK MANAGEMENT.—Section 226A(a) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6933(a)) is amended by striking “Subject to subsection (e), the Secretary” and inserting “The Secretary”.

(b) CORRECTION OF ERROR.—

(1) ASSISTANT SECRETARIES OF AGRICULTURE.—Section 218 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6918) (as in effect on the day before the effective date of the amendments made by section 2(a)(1) of the Presidential Appointment Efficiency and Streamlining Act of 2011 (Public Law 112–166; 126 Stat. 1283, 1295)) is amended by striking “Senate.” in subsection (b) and all that follows through “responsibility for—” in the matter preceding paragraph (1) of subsection (d) and inserting the following: “Senate.”

“(c) DUTIES OF ASSISTANT SECRETARY OF AGRICULTURE FOR CIVIL RIGHTS.—The Secretary may delegate to the Assistant Secretary for Civil Rights responsibility for—”.

(2) EFFECTIVE DATE.—The amendments made by paragraph

(1) take effect on the effective date described in section 6(a)

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of the Presidential Appointment Efficiency and Streamlining Act of 2011 (Public Law 112–166; 126 Stat. 1295).

**SEC. 12416. TERMINATION OF AUTHORITY.**

Section 296(b) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 7014(b)) is amended by adding at the end the following:

“(9) The authority of the Secretary to carry out the amendments made to this title by section 772 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2018.

“(10) The authority of the Secretary to carry out the amendments made to this title by the Agriculture Improvement Act of 2018.”.

## **Subtitle E—Other Miscellaneous Provisions**

### **PART I—MISCELLANEOUS AGRICULTURE PROVISIONS**

**SEC. 12501. ACER ACCESS AND DEVELOPMENT PROGRAM.**

Section 12306(f) of the Agricultural Act of 2014 (7 U.S.C. 1632c(f)) is amended by striking “2018” and inserting “2023”.

**SEC. 12502. PROTECTING ANIMALS WITH SHELTER.**

(a) **CRIMES RELATED TO DOMESTIC VIOLENCE AND STALKING TARGETING PETS.—**

(1) **INTERSTATE STALKING.—**Section 2261A of title 18, United States Code, is amended—

(A) in paragraph (1)(A)—

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

(ii) by inserting after clause (iii) the following:

“(iv) the pet, service animal, emotional support animal, or horse of that person; or”; and

(B) in paragraph (2)(A)—

(i) by inserting after “to a person” the following: “, a pet, a service animal, an emotional support animal, or a horse”; and

(ii) by striking “or (iii)” and inserting “(iii), or (iv)”.

(2) **INTERSTATE VIOLATION OF PROTECTION ORDER.—**Section 2262 of title 18, United States Code, is amended—

(A) in subsection (a)—

(i) in paragraph (1), by inserting after “another person” the following: “or the pet, service animal, emotional support animal, or horse of that person”; and

(ii) in paragraph (2), by inserting after “proximity to, another person” the following “or the pet, service animal, emotional support animal, or horse of that person”; and

(B) in subsection (b)(5), by inserting after “in any other case,” the following: “including any case in which the offense is committed against a pet, service animal, emotional support animal, or horse,”.

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(3) RESTITUTION TO INCLUDE VETERINARY SERVICES.—Section 2264 of title 18, United States Code, is amended in subsection (b)(3)—

(A) by redesignating subparagraph (F) as subparagraph (G);

(B) in subparagraph (E), by striking “and” at the end;

and

(C) by inserting after subparagraph (E) the following: “(F) veterinary services relating to physical care for the victim’s pet, service animal, emotional support animal, or horse; and”.

(4) DEFINITIONS.—Section 2266 of title 18, United States Code, is amended by inserting after paragraph (10) the following:

“(11) PET.—The term ‘pet’ means a domesticated animal, such as a dog, cat, bird, rodent, fish, turtle, or other animal that is kept for pleasure rather than for commercial purposes.

“(12) EMOTIONAL SUPPORT ANIMAL.—The term ‘emotional support animal’ means an animal that is covered by the exclusion specified in section 5.303 of title 24, Code of Federal Regulations (or a successor regulation), and that is not a service animal.

“(13) SERVICE ANIMAL.—The term ‘service animal’ has the meaning given the term in section 36.104 of title 28, Code of Federal Regulations (or a successor regulation).”.

(b) EMERGENCY AND TRANSITIONAL PET SHELTER AND HOUSING ASSISTANCE GRANT PROGRAM.— 34 USC 20127.

(1) GRANT PROGRAM.—

(A) IN GENERAL.—The Secretary, acting in consultation with the Office of the Violence Against Women of the Department of Justice, the Secretary of Housing and Urban Development, and the Secretary of Health and Human Services, shall award grants under this subsection to eligible entities to carry out programs to provide the assistance described in paragraph (3) with respect to victims of domestic violence, dating violence, sexual assault, or stalking and the pets, service animals, emotional support animals, or horses of such victims.

(B) MEMORANDUM OF UNDERSTANDING.—The Secretary may enter into a memorandum of understanding with the head of another Department or agency, as appropriate, to carry out any of the authorities provided to the Secretary under this section.

(2) APPLICATION.—

(A) IN GENERAL.—An eligible entity seeking a grant under this subsection shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require, including—

(i) a description of the activities for which a grant under this subsection is sought;

(ii) such assurances as the Secretary determines to be necessary to ensure compliance by the entity with the requirements of this subsection; and

(iii) a certification that the entity, before engaging with any individual domestic violence victim, will disclose to the victim any mandatory duty of the entity

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to report instances of abuse and neglect (including instances of abuse and neglect of pets, service animals, emotional support animals, or horses).

(B) ADDITIONAL REQUIREMENTS.—In addition to the requirements of subparagraph (A), each application submitted by an eligible entity under that subparagraph shall—

(i) not include proposals for any activities that may compromise the safety of a domestic violence victim, including—

(I) background checks of domestic violence victims; or

(II) clinical evaluations to determine the eligibility of such a victim for support services;

(ii) not include proposals that would require mandatory services for victims or that a victim obtain a protective order in order to receive proposed services; and

(iii) reflect the eligible entity’s understanding of the dynamics of domestic violence, dating violence, sexual assault, or stalking.

(C) RULES OF CONSTRUCTION.—Nothing in this paragraph shall be construed to require—

(i) domestic violence victims to participate in the criminal justice system in order to receive services; or

(ii) eligible entities receiving a grant under this subsection to breach client confidentiality.

(3) USE OF FUNDS.—Grants awarded under this subsection may only be used for programs that provide—

(A) emergency and transitional shelter and housing assistance for domestic violence victims with pets, service animals, emotional support animals, or horses, including assistance with respect to any construction or operating expenses of newly developed or existing emergency and transitional pet, service animal, emotional support animal, or horse shelter and housing (regardless of whether such shelter and housing is co-located at a victim service provider or within the community);

(B) short-term shelter and housing assistance for domestic violence victims with pets, service animals, emotional support animals, or horses, including assistance with respect to expenses incurred for the temporary shelter, housing, boarding, or fostering of the pets, service animals, emotional support animals, or horses of domestic violence victims and other expenses that are incidental to securing the safety of such a pet, service animal, emotional support animal, or horse during the sheltering, housing, or relocation of such victims;

(C) support services designed to enable a domestic violence victim who is fleeing a situation of domestic violence, dating violence, sexual assault, or stalking to—

(i) locate and secure—

(I) safe housing with the victim’s pet, service animal, emotional support animal, or horse; or



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- (II) safe accommodations for the victim’s pet, service animal, emotional support animal, or horse; or
- (ii) provide the victim with pet, service animal, emotional support animal, or horse related services, such as transportation, care services, and other assistance; or
- (D) for the training of relevant stakeholders on—
  - (i) the link between domestic violence, dating violence, sexual assault, or stalking and the abuse and neglect of pets, service animals, emotional support animals, and horses;
  - (ii) the needs of domestic violence victims;
  - (iii) best practices for providing support services to such victims;
  - (iv) best practices for providing such victims with referrals to victims’ services; and
  - (v) the importance of confidentiality.
- (4) GRANT CONDITIONS.—An eligible entity that receives a grant under this subsection shall, as a condition of such receipt, agree—
  - (A) to be bound by the nondisclosure of confidential information requirements of section 40002(b)(2) of the Violence Against Women Act of 1994 (34 U.S.C. 12291(b)(2)); and
  - (B) that the entity shall not condition the receipt of support, housing, or other benefits provided pursuant to this subsection on the participation of domestic violence victims in any or all of the support services offered to such victims through a program carried out by the entity using grant funds.
- (5) DURATION OF ASSISTANCE PROVIDED TO VICTIMS.—
  - (A) IN GENERAL.—Subject to subparagraph (B), assistance provided with respect to a pet, service animal, emotional support animal, or horse of a domestic violence victim using grant funds awarded under this subsection shall be provided for a period of not more than 24 months.
  - (B) EXTENSION.—An eligible entity that receives a grant under this subsection may extend the 24-month period referred to in subparagraph (A) for a period of not more than 6 months in the case of a domestic violence victim who—
    - (i) has made a good faith effort to acquire permanent housing for the victim and the victim’s pet, service animal, emotional support animal, or horse during that 24-month period; and
    - (ii) has been unable to acquire such permanent housing within that period.
- (6) REPORT TO THE SECRETARY.—Not later than 1 year after the date on which an eligible entity receives a grant under this subsection and each year thereafter in which the grant funds are used, the entity shall submit to the Secretary a report that contains, with respect to assistance provided by the entity to domestic violence victims with pets, service animals, emotional support animals, or horses using grant funds received under this subsection, information on—

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(A) the number of domestic violence victims with pets, service animals, emotional support animals, or horses provided such assistance; and

(B) the purpose, amount, type of, and duration of such assistance.

(7) REPORT TO CONGRESS.—

(A) REPORTING REQUIREMENT.—Not later than November 1 of each even-numbered fiscal year, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that contains a compilation of the information contained in the reports submitted under paragraph (6).

(B) AVAILABILITY OF REPORT.—The Secretary shall transmit a copy of the report submitted under subparagraph (A) to—

(i) the Office on Violence Against Women of the Department of Justice;

(ii) the Office of Community Planning and Development of the Department of Housing and Urban Development; and

(iii) the Administration for Children and Families of the Department of Health and Human Services.

(8) AUTHORIZATION OF APPROPRIATIONS.—

(A) IN GENERAL.—There is authorized to be appropriated to carry out this subsection \$3,000,000 for each of fiscal years 2019 through 2023.

(B) LIMITATION.—Of the amount made available under subparagraph (A) in any fiscal year, not more than 5 percent may be used for evaluation, monitoring, salaries, and administrative expenses.

(9) DEFINITIONS.—In this subsection:

(A) DOMESTIC VIOLENCE VICTIM DEFINED.—The term “domestic violence victim” means a victim of domestic violence, dating violence, sexual assault, or stalking.

(B) ELIGIBLE ENTITY.—The term “eligible entity” means—

(i) a State;

(ii) a unit of local government;

(iii) an Indian tribe; or

(iv) any other organization that has a documented history of effective work concerning domestic violence, dating violence, sexual assault, or stalking (as determined by the Secretary), including—

(I) a domestic violence and sexual assault victim service provider;

(II) a domestic violence and sexual assault coalition;

(III) a community-based and culturally specific organization;

(IV) any other nonprofit, nongovernmental organization; and

(V) any organization that works directly with pets, service animals, emotional support animals, or horses and collaborates with any organization referred to in clauses (i) through (iv), including—

(aa) an animal shelter; and

(bb) an animal welfare organization.

(C) **EMOTIONAL SUPPORT ANIMAL.**—The term “emotional support animal” means an animal that is covered by the exclusion specified in section 5.303 of title 24, Code of Federal Regulations (or a successor regulation), and that is not a service animal.

(D) **PET.**—The term “pet” means a domesticated animal, such as a dog, cat, bird, rodent, fish, turtle, or other animal that is kept for pleasure rather than for commercial purposes.

(E) **SERVICE ANIMAL.**—The term “service animal” has the meaning given the term in section 36.104 of title 28, Code of Federal Regulations (or a successor regulation).

(F) **OTHER TERMS.**—Except as otherwise provided in this subsection, terms used in this section shall have the meaning given such terms in section 40002(a) of the Violence Against Women Act of 1994 (34 U.S.C. 12291(a)).

(c) **SENSE OF CONGRESS.**—It is the sense of Congress that States should encourage the inclusion of protections against violent or threatening acts against the pet, service animal, emotional support animal, or horse of a person in domestic violence protection orders.

**SEC. 12503. MARKETING ORDERS.**

Section 8e(a) of the Agricultural Adjustment Act (7 U.S.C. 608e–1(a)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by inserting “cherries, pecans,” after “walnuts,”.

**SEC. 12504. ESTABLISHMENT OF FOOD LOSS AND WASTE REDUCTION LIAISON.**

Subtitle A of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6901 et seq.), as amended by sections 12202, 12302, and 12403, is further amended by adding at the end the following:

**“SEC. 224. FOOD LOSS AND WASTE REDUCTION LIAISON.**

7 USC 6924.

“(a) **ESTABLISHMENT.**—The Secretary shall establish a Food Loss and Waste Reduction Liaison to coordinate Federal, State, local, and nongovernmental programs, and other efforts, to measure and reduce the incidence of food loss and waste in accordance with this section.

“(b) **IN GENERAL.**—The Food Loss and Waste Reduction Liaison shall—

“(1) coordinate food loss and waste reduction efforts within the Department of Agriculture and with other Federal agencies, including the Environmental Protection Agency and the Food and Drug Administration;

“(2) support and promote Federal programs to measure and reduce the incidence of food loss and waste and increase food recovery;

“(3) provide information to, and serve as a resource for, entities engaged in food loss and waste reduction and food recovery, including information about the availability of, and eligibility requirements for, participation in Federal, State, local, and nongovernmental programs;

“(4) raise awareness of the liability protections afforded under the Bill Emerson Good Samaritan Food Donation Act

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(42 U.S.C. 1791) to persons engaged in food loss and waste reduction and food recovery; and

“(5) make recommendations with respect to expanding innovative food recovery models and reducing the incidence of food loss and waste.

“(c) COOPERATIVE AGREEMENTS.—For purposes of carrying out the duties under subsection (b), the Food Loss and Waste Reduction Liaison may enter into contracts or cooperative agreements with the research centers of the Research, Education, and Economics mission area, institutions of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)), or nonprofit organizations for—

“(1) the development of educational materials;

“(2) the conduct of workshops and courses; or

“(3) the conduct of research on best practices with respect to food loss and waste reduction and food recovery.

“(d) STUDY ON FOOD WASTE.—The Secretary shall conduct a study, in consultation with the Food Loss and Waste Reduction Liaison, to evaluate and determine—

“(1) methods of measuring food waste;

“(2) standards for the volume of food waste;

“(3) factors that contribute to food waste;

“(4) the cost and volume of food loss;

“(5) the effectiveness of existing liability protections afforded under the Bill Emerson Good Samaritan Food Donation Act (42 U.S.C. 1791); and

“(6) measures to ensure that programs contemplated, undertaken, or funded by the Department of Agriculture do not disrupt existing food waste recovery and disposal efforts by commercial, marketing, or business relationships.

“(e) REPORTS.—

“(1) INITIAL REPORT.—Not later than 1 year after the date of enactment of this section, the Food Loss and Waste Liaison shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the study conducted under subsection (d).

“(2) REPORT.—Not later than 1 year after the date of the submission of the report under paragraph (1), the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that contains, with respect to the preceding year—

“(A) an estimate of the quantity of food waste during such year; and

“(B) the results of the food waste reduction and loss prevention activities carried out or led by the Department of Agriculture.”.

**SEC. 12505. REPORT ON BUSINESS CENTERS.**

(a) IN GENERAL.—Not later than 365 days after the date of enactment of this Act, the Comptroller General of the United States shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report evaluating each business center established in the Department of Agriculture.

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(b) INCLUSIONS.—The report under subsection (a) shall include—

(1) an examination of the effectiveness of each business center in carrying out its mission, including any recommendations to improve the operation of and function of any of those business centers; and

(2) an evaluation of—

(A) the impact the business centers have on customer service of the Department of Agriculture;

(B) the impact on the annual budget for agencies the budget offices of which have been relocated to the business center, and the effectiveness of funds used to support the business centers, including an accounting of all discretionary and mandatory funding provided to the business center for conservation and farm services from—

(i) the Natural Resources Conservation Service;

(ii) the Farm Service Agency; and

(iii) the Risk Management Agency;

(C) funding described in subparagraph (B) spent on information technology modernizations;

(D) the impact that the business centers have had on the human resources of the Department of Agriculture, including hiring;

(E) any concerns or problems with the business centers; and

(F) any positive or negative impact that the business centers have had on the functionality of the Department of Agriculture.

**SEC. 12506. REPORT ON PERSONNEL.**

For the period of fiscal years 2019 through 2023, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a biannual report describing the number of staff years and employees of each agency of the Department of Agriculture.

**SEC. 12507. REPORT ON ABSENT LANDLORDS.**

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a report describing the effects of absent landlords on the long-term economic health of agricultural production, including the effect of absent landlords on—

(1) land valuation;

(2) soil health; and

(3) the economic stability of rural communities.

(b) CONTENTS.—The report under subsection (a) shall include—

(1) a description of the positive and negative effects of an absent landlord on the land owned by the landlord, including—

(A) the effect of an absent landlord on the long-term value of the land; and

(B) the environmental and economic impact of an absent landlord on the surrounding community; and

(2) recommendations to policymakers concerning how to mitigate those effects when necessary.

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7 USC 2266a.

**SEC. 12508. CENTURY FARMS PROGRAM.**

The Secretary shall establish a program under which the Secretary recognizes any farm that—

(1) a State department of agriculture or similar statewide agricultural organization recognizes as a Century Farm; or

(2)(A) is defined as a farm or ranch under section 4284.902 of title 7, Code of Federal Regulations (as in effect on the date of enactment of this Act);

(B) has been in continuous operation for at least 100 years; and

(C) has been owned by the same family for at least 100 consecutive years, as verified through deeds, wills, abstracts, tax statements, or other similar legal documents considered appropriate by the Secretary.

**SEC. 12509. REPORT ON IMPORTATION OF LIVE DOGS.**

(a) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the importation of live dogs into the United States.

(b) CONTENTS.—The report submitted under subsection (a) shall include, with respect to the importation of live dogs into the United States for each of the 3 most recent calendar years for which data are available—

(1) the total number of live dogs imported;

(2) the number of live dogs imported as personal pets;

(3) the number of live dogs imported for resale (as defined in section 18(a) of the Animal Welfare Act (7 U.S.C. 2148(a));

(4) the number of live dogs for which importation was requested but denied due to the proposed importation failing to meet the requirements under—

(A) section 18 of the Animal Welfare Act (7 U.S.C. 2148);

(B) section 71.51 of title 42, Code of Federal Regulations (or any successor regulations); or

(C) any other Federal law; and

(5) any recommendations of the Secretary for modifications to Federal law (including regulations) relating to the importation of live dogs, including for the protection of public health.

(c) PROVISION OF INFORMATION.—To facilitate the preparation of the report submitted under subsection (a), not later than 180 days after the date of enactment of this Act, the Secretary of Commerce, the Secretary of Health and Human Services, and the Secretary of Homeland Security shall each provide to the Secretary of Agriculture all available data and information relating to the importation of live dogs into the United States, including—

(1) the data described in paragraphs (1) through (4) of subsection (b) for each of the 3 most recent calendar years for which data is available; and

(2) any recommendations for modifications to Federal law (including regulations) relating to the importation of live dogs, including for the protection of public health.

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note.**SEC. 12510. TRIBAL PROMISE ZONES.**

(a) IN GENERAL.—In this section, the term “Tribal Promise Zone” means an area that—



(1) is nominated by 1 or more Indian tribes (as defined in section 4(13) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103(13))) for designation as a Tribal Promise Zone (in this section referred to as a “nominated zone”);

(2) has a continuous boundary; and

(3) the Secretary designates as a Tribal Promise Zone, after consultation with the Secretary of Commerce, the Secretary of Education, the Attorney General, the Secretary of the Interior, the Secretary of Housing and Urban Development, the Secretary of Health and Human Services, the Secretary of Labor, the Secretary of the Treasury, the Secretary of Transportation, and other agencies as appropriate.

(b) AUTHORIZATION AND NUMBER OF DESIGNATIONS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall nominate a minimum number of nominated zones, as determined by the Secretary in consultation with Indian tribes, to be designated as Tribal Promise Zones.

(c) PERIOD OF DESIGNATIONS.—

(1) IN GENERAL.—The Secretary shall designate nominated zones as Tribal Promise Zones before January 1, 2020.

(2) EFFECTIVE DATES OF DESIGNATIONS.—The designation of any Tribal Promise Zone shall take effect—

(A) for purposes of priority consideration in Federal grant programs and initiatives (other than this section), upon execution of the Tribal Promise Zone agreement with the Secretary; and

(B) for purposes of this section, on January 1 of the first calendar year beginning after the date of the execution of the Tribal Promise Zone agreement.

(3) TERMINATION OF DESIGNATIONS.—The designation of any Tribal Promise Zone shall end on the earlier of—

(A)(i) with respect to a Tribal Promise Zone not described in paragraph (4), the end of the 10-year period beginning on the date that such designation takes effect; or

(ii) with respect to a Tribal Promise Zone described in paragraph (4), the end of the 10-year period beginning on the date the area was designated as a Tribal Promise Zone before the date of the enactment of this Act; or

(B) the date of the revocation of such designation.

(4) APPLICATION TO CERTAIN ZONES ALREADY DESIGNATED.—In the case of any area designated as a Tribal Promise Zone by the Secretary before the date of the enactment of this Act, such area shall be deemed a Tribal Promise Zone designated under this section (notwithstanding whether any such designation has been revoked before the date of the enactment of this Act) and shall reduce the number of Tribal Promise Zones remaining to be designated under paragraph (1).

(d) LIMITATIONS ON DESIGNATIONS.—No area may be designated under this section unless—

(1) the entities nominating the area have the authority to nominate the area of designation under this section;

(2) such entities provide written assurances satisfactory to the Secretary that the competitiveness plan described in the application under subsection (e) for such area will be implemented and that such entities will provide the Secretary with

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such data regarding the economic conditions of the area (before, during, and after the area’s period of designation as a Tribal Promise Zone) as the Secretary may require; and

(3) the Secretary determines that any information furnished is reasonably accurate.

(e) APPLICATION.—No area may be designated under this section unless the application for such designation—

(1) demonstrates that the nominated zone satisfies the eligibility criteria described in subsection (a); and

(2) includes a competitiveness plan that—

(A) addresses the need of the nominated zone to attract investment and jobs and improve educational opportunities;

(B) leverages the nominated zone’s economic strengths and outlines targeted investments to develop competitive advantages;

(C) demonstrates collaboration across a wide range of stakeholders;

(D) outlines a strategy that connects the nominated zone to drivers of regional economic growth; and

(E) proposes a strategy for focusing on increased access to high quality affordable housing and improved public safety.

(f) SELECTION CRITERIA.—

(1) IN GENERAL.—From among the nominated zones eligible for designation under this section, the Secretary shall designate Tribal Promise Zones on the basis of—

(A) the effectiveness of the competitiveness plan submitted under subsection (e) and the assurances made under subsection (d);

(B) unemployment rates, poverty rates, vacancy rates, crime rates, and such other factors as the Secretary may identify, including household income, labor force participation, and educational attainment; and

(C) other criteria as determined by the Secretary.

(2) MINIMAL STANDARDS.—The Secretary may set minimal standards for the levels of unemployment and poverty that must be satisfied for designation as a Tribal Promise Zone.

#### **SEC. 12511. PRECISION AGRICULTURE CONNECTIVITY.**

(a) FINDINGS.—Congress finds the following:

(1) Precision agriculture technologies and practices allow farmers to significantly increase crop yields, eliminate overlap in operations, and reduce inputs such as seed, fertilizer, pesticides, water, and fuel.

(2) These technologies allow farmers to collect data in real time about their fields, automate field management, and maximize resources.

(3) Studies estimate that precision agriculture technologies can reduce agricultural operation costs by up to 25 dollars per acre and increase farm yields by up to 70 percent by 2050.

(4) The critical cost savings and productivity benefits of precision agriculture cannot be realized without the availability of reliable broadband Internet access service delivered to the agricultural land of the United States.

(5) The deployment of broadband Internet access service to unserved agricultural land is critical to the United States

economy and to the continued leadership of the United States in global food production.

(6) Despite the growing demand for broadband Internet access service on agricultural land, broadband Internet access service is not consistently available where needed for agricultural operations.

(7) The Federal Communications Commission has an important role to play in the deployment of broadband Internet access service on unserved agricultural land to promote precision agriculture.

(b) TASK FORCE.—

(1) DEFINITIONS.—In this subsection:

(A)(i) The term “broadband Internet access service” means a mass-market retail service by wire or radio that provides the capability to transmit data to, and receive data from, all or substantially all Internet endpoints, including any capabilities that are incidental to, and enable the operation of, the communications service, but excluding dial up internet access service.

(ii) Such term includes any service the Commission finds to be providing a functional equivalent of the service described in clause (i).

(B) The term “Commission” means the Federal Communications Commission.

(C) The term “Department” means the Department of Agriculture.

(D) The term “Secretary” means the Secretary of Agriculture.

(E) The term “Task Force” means the Task Force for Reviewing the Connectivity and Technology Needs of Precision Agriculture in the United States established under paragraph (2).

(2) ESTABLISHMENT.—Not later than 1 year after the date of enactment of this Act, the Commission shall establish the Task Force for Reviewing the Connectivity and Technology Needs of Precision Agriculture in the United States.

(3) DUTIES.—

(A) IN GENERAL.—The Task Force shall consult with the Secretary, or a designee of the Secretary, and collaborate with public and private stakeholders in the agriculture and technology fields to—

(i) identify and measure current gaps in the availability of broadband Internet access service on agricultural land;

(ii) develop policy recommendations to promote the rapid, expanded deployment of broadband Internet access service on unserved agricultural land, with a goal of achieving reliable capabilities on 95 percent of agricultural land in the United States by 2025;

(iii) promote effective policy and regulatory solutions that encourage the adoption of broadband Internet access service on farms and ranches and promote precision agriculture;

(iv) recommend specific new rules or amendments to existing rules of the Commission that the Commission should issue to achieve the goals and purposes of the policy recommendations described in clause (ii);

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(v) recommend specific steps that the Commission should take to obtain reliable and standardized data measurements of the availability of broadband Internet access service as may be necessary to target funding support, from future programs of the Commission dedicated to the deployment of broadband Internet access service, to unserved agricultural land in need of broadband Internet access service; and

(vi) recommend specific steps that the Commission should consider to ensure that the expertise of the Secretary and available farm data are reflected in future programs of the Commission dedicated to the infrastructure deployment of broadband Internet access service and to direct available funding to unserved agricultural land where needed.

(B) NO DUPLICATE DATA REPORTING.—In performing the duties of the Commission under subparagraph (A), the Commission shall ensure that no provider of broadband Internet access service is required to report data to the Commission that is, on the day before the date of enactment of this Act, required to be reported by the provider of broadband Internet access service.

(C) HOLD HARMLESS.—The Task Force and the Commission shall not interpret the phrase “future programs of the Commission”, as used in clauses (v) and (vi) of subparagraph (A), to include the universal service programs of the Commission established under section 254 of the Communications Act of 1934 (47 U.S.C. 254).

(D) CONSULTATION.—The Secretary, or a designee of the Secretary, shall explain and make available to the Task Force the expertise, data mapping information, and resources of the Department that the Department uses to identify cropland, rangeland, and other areas with agricultural operations that may be helpful in developing the recommendations required under subparagraph (A).

(E) LIST OF AVAILABLE FEDERAL PROGRAMS AND RESOURCES.—Not later than 180 days after the date of enactment of this Act, the Secretary and the Commission shall jointly submit to the Task Force a list of all Federal programs or resources available for the expansion of broadband Internet access service on unserved agricultural land to assist the Task Force in carrying out the duties of the Task Force.

(4) MEMBERSHIP.—

(A) IN GENERAL.—The Task Force shall be—

(i) composed of not more than 15 voting members who shall—

(I) be selected by the Chairman of the Commission, in consultation with the Secretary; and

(II) include—

(aa) agricultural producers representing diverse geographic regions and farm sizes, including owners and operators of farms of less than 100 acres;

(bb) an agricultural producer representing tribal agriculture;

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(cc) Internet service providers, including regional or rural fixed and mobile broadband Internet access service providers and telecommunications infrastructure providers;

(dd) representatives from the electric cooperative industry;

(ee) representatives from the satellite industry;

(ff) representatives from precision agriculture equipment manufacturers, including drone manufacturers, manufacturers of autonomous agricultural machinery, and manufacturers of farming robotics technologies;

(gg) representatives from State and local governments; and

(hh) representatives with relevant expertise in broadband network data collection, geospatial analysis, and coverage mapping; and

(ii) fairly balanced in terms of technologies, points of view, and fields represented on the Task Force.

(B) PERIOD OF APPOINTMENT; VACANCIES.—

(i) IN GENERAL.—A member of the Committee appointed under subparagraph (A)(i) shall serve for a single term of 2 years.

(ii) VACANCIES.—Any vacancy in the Task Force—

(I) shall not affect the powers of the Task Force; and

(II) shall be filled in the same manner as the original appointment.

(C) EX-OFFICIO MEMBER.—The Secretary, or a designee of the Secretary, shall serve as an ex-officio, nonvoting member of the Task Force.

(5) REPORTS.—Not later than 1 year after the date on which the Commission establishes the Task Force, and annually thereafter, the Task Force shall submit to the Chairman of the Commission a report, which shall be made public not later than 30 days after the date on which the Chairman receives the report, that details—

(A) the status of fixed and mobile broadband Internet access service coverage of agricultural land;

(B) the projected future connectivity needs of agricultural operations, farmers, and ranchers; and

(C) the steps being taken to accurately measure the availability of broadband Internet access service on agricultural land and the limitations of current, as of the date of the report, measurement processes.

(6) TERMINATION.—The Commission shall renew the Task Force every 2 years until the Task Force terminates on January 1, 2025.

(c) NO ADDITIONAL FUNDS AUTHORIZED.—No additional funds is authorized to be appropriated to carry out this section. This section shall be carried out using amounts otherwise authorized.

**SEC. 12512. IMPROVEMENTS TO UNITED STATES DROUGHT MONITOR.**

7 USC 5856.

(a) IN GENERAL.—The Secretary shall coordinate with the Director of the National Drought Mitigation Center and the

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Administrator of the National Oceanic and Atmospheric Administration to enhance the collection of data to improve the accuracy of the United States Drought Monitor.

(b) UTILIZATION.—To the maximum extent practicable, the Secretary shall utilize a consistent source or sources of data for programs that are based on drought or precipitation indices, such as the livestock forage disaster program established under section 1501(c) of the Agricultural Act of 2014 (7 U.S.C. 9081(c)) or policies or plans of insurance established under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

(c) REVIEW.—Not later than 1 year after the date of enactment of this Act, the Secretary shall conduct a review of—

(1) the types of data currently utilized by the United States Drought Monitor;

(2) the geographic coverage and density of existing data collection sites; and

(3) other meteorological or climatological data that is being collected by other Federal agencies, State and local governments, and non-Federal entities that could be utilized by the United States Drought Monitor.

(d) IMPROVEMENTS.—

(1) IN GENERAL.—Upon the completion of the review prescribed in subsection (c), the Secretary shall—

(A) seek to expand the collection of relevant data in States or geographic areas where coverage is currently lacking as compared to other States or geographic areas; and

(B) to the maximum extent practicable, develop standards to allow the integration of meteorological or climatological data into the United States Drought Monitor derived from—

(i) in-situ soil moisture profile measuring devices;

(ii) citizen science (as defined in the Crowdsourcing and Citizen Science Act (15 U.S.C. 3724)), including data from the Cooperative Observer Program of the National Weather Service; and

(iii) other Federal agencies, State and local governments, and non-Federal entities.

(2) AUTHORIZATION OF APPROPRIATIONS.—There is to be authorized to be appropriated to the Secretary to carry out this subsection \$5,000,000 for each of fiscal years 2019 through 2023.

7 USC 1632d.

**SEC. 12513. DAIRY BUSINESS INNOVATION INITIATIVES.**

(a) DEFINITIONS.—In this section:

(1) DAIRY BUSINESS.—The term “dairy business” means a business that develops, produces, markets, or distributes dairy products.

(2) INITIATIVE.—The term “initiative” means a dairy product and business innovation initiative established under subsection (b).

(b) ESTABLISHMENT.—The Secretary shall establish not less than 3 regionally-located dairy product and business innovation initiatives for the purposes of—

(1) diversifying dairy product markets to reduce risk and develop higher-value uses for dairy products;



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(2) promoting business development that diversifies farmer income through processing and marketing innovation; and

(3) encouraging the use of regional milk production.

(c) SELECTION OF INITIATIVES.—An initiative—

(1) shall be positioned to draw on existing dairy industry resources, including activities conducted by the National Dairy Promotion and Research Board and other dairy promotion entities, research capacity, academic and industry expertise, a density of dairy farms or farmland suitable for dairying, and dairy businesses; and

(2) may serve a certain product niche, such as specialty cheese, or serve dairy businesses with dairy products derived from the milk of a specific type of dairy animal, including dairy products made from cow milk, sheep milk, and goat milk.

(d) ENTITIES ELIGIBLE TO HOST INITIATIVE.—

(1) IN GENERAL.—Subject to paragraph (2), any of the following entities may submit to the Secretary an application to host an initiative:

(A) A State department of agriculture or other State entity.

(B) A nonprofit organization.

(C) An institution of higher education.

(D) A cooperative extension service.

(2) CAPACITY OF ELIGIBLE ENTITY.—Any entity described in subparagraphs (A) through (D) of paragraph (1) shall be eligible to submit an application under that paragraph if the entity has—

(A) a capacity to provide consultation and expertise necessary to advance the purpose and activities of the proposed initiative; and

(B) expertise in grant distribution and tracking.

(3) INELIGIBLE ENTITY.—A dairy promotion program shall not be eligible to host an initiative under this section.

(e) PARTNERS.—

(1) IN GENERAL.—An entity described in subsection (d)(1) may establish as a partner an organization or entity described in paragraph (2)—

(A) prior to the submission of the application under that subsection; or

(B) after approval of the application, in consultation with the Secretary.

(2) PARTNER DESCRIBED.—A partner under paragraph (1) shall be an organization or entity with expertise or experience in dairy, including the marketing, research, education, or promotion of dairy.

(f) ACTIVITIES OF INITIATIVES.—

(1) DIRECT ASSISTANCE TO DAIRY BUSINESSES.—An initiative shall provide nonmonetary assistance directly to dairy businesses through private consultation or widely available distribution—

(A) by the entity that hosts the initiative under subsection (d)(1);

(B) through contracting with industry experts;

(C) through the provision of technical assistance, such as informational websites, webinars, conferences, trainings, plant tours, and field days; or

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(D) through research institutions, including cooperative extension services.

(2) TYPES OF ASSISTANCE.—Eligible forms of assistance include—

(A) business consulting, including business plan development for processed dairy products, strategic planning assistance, and distribution and supply chain innovation;

(B) marketing and branding assistance, including market messaging, packaging innovation, consumer assessments, innovation in emerging market opportunities, and evaluation of regional, national, and international markets;

(C) assistance in product innovation, including the development of value-added products, innovation in byproduct reprocessing and use maximization, and dairy product production training, including in new, rare, or innovative techniques; and

(D) other nonmonetary assistance, as determined by the Secretary.

(3) GRANTS TO DAIRY BUSINESSES.—

(A) IN GENERAL.—An initiative shall provide grants on a competitive basis to new and existing dairy businesses for the purposes of—

(i) modernization, specialization, and grazing transition on dairy farms;

(ii) value chain and commodity innovation and facility and process updates for dairy processors; and

(iii) product development, packaging, and marketing of dairy products.

(B) GRANTS TO CERTAIN ENTITIES.—An initiative may provide a grant on a noncompetitive basis to an entity that receives assistance under paragraph (1) to advance the business activities recommended as a result of that assistance.

(C) GRANT AMOUNTS.—Grants provided under this paragraph shall not exceed \$500,000, unless a greater amount is approved by the Secretary.

(4) CONSULTATION.—An entity that hosts an initiative shall consult with the National Dairy Promotion and Research Board, the Secretary, and the Administrator of the Agricultural Marketing Service in carrying out the initiative.

(5) CONFLICT OF INTEREST.—

(A) IN GENERAL.—The Secretary shall establish guidelines and procedures to prevent any conflict of interest or the appearance of a conflict of interest by an initiative (including a partner of the initiative) during the allocation of direct assistance under paragraph (1) or grant funding under paragraph (3).

(B) PENALTY.—The Secretary may suspend or terminate an initiative if the initiative (including a partner of the initiative) is found to be in violation of the guidelines and procedures established under subparagraph (A).

(g) DISTRIBUTION OF FUNDS.—

(1) IN GENERAL.—Using the funds made available to carry out this section, the Secretary—

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(A) shall provide not less than 3 awards to eligible entities described in subsection (d) for the purposes of carrying out the activities under subsection (f); and

(B) is encouraged to award funds under subparagraph

(A) in multiyear funding allocations.

(2) USE OF FUNDS.—Not less than 50 percent of the funds made available under subsection (i) shall be allocated to grants under subsection (f)(3).

(3) PRIORITY.—An entity hosting an initiative shall give priority to the provision of direct assistance under subsection (f)(1) and grants under subsection (f)(3) to—

(A) dairy farms and dairy businesses with limited access to other forms of assistance;

(B) employee-owned dairy businesses;

(C) cooperatives; and

(D) dairy businesses that seek to create dairy products that add substantial value in processing or marketing, such as specialty cheeses.

(4) REQUIREMENT.—Assistance or a grant shall not be made available to a foreign person making direct investment (as those terms are defined in section 801.2 of title 15, Code of Federal Regulations (or successor regulations)) in the United States in the case of—

(A) direct assistance under subsection (f)(1) that is provided to a specific dairy business and is not publicly available, as determined by the Secretary; or

(B) a grant under subsection (f)(3).

(5) SUPPLEMENTATION.—To the extent practicable, the Secretary shall ensure that funds provided to an initiative supplement, and do not duplicate or replace, existing dairy product research, development, and promotion activities.

(h) REPORT.—Not later than January 31, 2022, the Secretary shall submit to Congress a report on the outcomes of the program under this section and any related activities and opportunities to further increase dairy innovation.

(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$20,000,000 for each fiscal year.

**SEC. 12514. REPORT ON FUNDING FOR THE NATIONAL INSTITUTE OF FOOD AND AGRICULTURE AND OTHER EXTENSION PROGRAMS.**

(a) IN GENERAL.—Not later than 2 years after the date on which the census of agriculture required to be conducted in calendar year 2017 under section 2 of the Census of Agriculture Act of 1997 (7 U.S.C. 2204g) is released, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the funding necessary to adequately address the needs of the National Institute of Food and Agriculture, activities carried out under the Smith-Lever Act (7 U.S.C. 341 et seq.), and research and extension programs carried out at an 1890 Institution (as defined in section 2 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7601)) or an institution designated under the Act of July 2, 1862 (commonly known as the “First Morrill Act”) (12 Stat. 503, chapter 130; 7 U.S.C. 301 et seq.), to provide adequate services for the

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growth and development of the economies of rural communities based on the changing demographic in the rural and farming communities in the various States.

(b) **REQUIREMENTS.**—In preparing the report under subsection (a), the Secretary shall focus on the funding needs of the programs described in subsection (a) with respect to carrying out activities relating to small and diverse farms and ranches, veteran farmers and ranchers, value-added agriculture, direct-to-consumer sales, and specialty crops.

7 USC 2160.

**SEC. 12515. PROHIBITION ON SLAUGHTER OF DOGS AND CATS FOR HUMAN CONSUMPTION.**

(a) **IN GENERAL.**—Except as provided in subsection (c), no person may—

(1) knowingly slaughter a dog or cat for human consumption; or

(2) knowingly ship, transport, move, deliver, receive, possess, purchase, sell, or donate—

(A) a dog or cat to be slaughtered for human consumption; or

(B) a dog or cat part for human consumption.

(b) **SCOPE.**—Subsection (a) shall apply only with respect to conduct—

(1) in or affecting interstate commerce or foreign commerce;

or

(2) within the special maritime and territorial jurisdiction of the United States.

(c) **EXCEPTION FOR INDIAN TRIBES.**—The prohibition in subsection (a) shall not apply to an Indian (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304)) carrying out any activity described in subsection (a) for the purpose of a religious ceremony.

(d) **PENALTY.**—Any person who violates subsection (a) shall be subject to a fine in an amount not greater than \$5,000 for each violation.

(e) **EFFECT ON STATE LAW.**—Nothing in this section—

(1) limits any State or local law or regulation protecting the welfare of animals; or

(2) prevents a State or unit of local government from adopting and enforcing an animal welfare law or regulation that is more stringent than this section.

21 USC 343 note.

**SEC. 12516. LABELING EXEMPTION FOR SINGLE INGREDIENT FOODS AND PRODUCTS.**

The food labeling requirements under section 403(q) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 343(q)) shall not require that the nutrition facts label of any single-ingredient sugar, honey, agave, or syrup, including maple syrup, that is packaged and offered for sale as a single-ingredient food bear the declaration “Includes X g Added Sugars.”.

**SEC. 12517. SOUTH CAROLINA INCLUSION IN VIRGINIA/CAROLINA PEANUT PRODUCING REGION.**

Section 1308(c)(2)(B)(iii) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7958(c)(2)(B)(iii)) is amended by striking “Virginia and North Carolina” and inserting “Virginia, North Carolina, and South Carolina”.

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**SEC. 12518. FOREST SERVICE HIRE AUTHORITY.**

16 USC 1725b.

(a) **IN GENERAL.**—The Secretary of Agriculture may appoint, without regard to the provisions of subchapter I of chapter 33 of title 5, United States Code, other than sections 3303 and 3328 of such title, a qualified candidate described in subsection (b) directly to a position with the Department of Agriculture, Forest Service for which the candidate meets Office of Personnel Management qualification standards.

(b) **QUALIFICATIONS.**—Subsection (a) applies to a former resource assistant (as defined in section 203 of the Public Land Corps Act (16 U.S.C. 1722)) who—

(1) completed a rigorous internship with a land managing agency, such as the Forest Service Resource Assistant Program;

(2) successfully fulfilled the requirements of the internship program; and

(3) earned an undergraduate or graduate degree from an accredited institution of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)).

(c) **LIMITATION.**—The direct hire authority under this section may not be exercised with respect to a specific qualified candidate after the end of the 2-year period beginning on the date on which the candidate completed the undergraduate or graduate degree, as the case may be, or has successfully fulfilled the requirements of the internship program, whichever is later.

**SEC. 12519. CONVERSION AUTHORITY.**

7 USC 2279j.

The Secretary may, notwithstanding subchapter I of chapter 33 of title 5, United States Code, governing appointments in the competitive or excepted service, noncompetitively convert to an appointment in the competitive service, in an agency or office within the Department of Agriculture, a recent graduate or student who is a United States citizen and has been awarded and successfully completed a scholarship program granted to the individual by the Department through the 1890 National Scholars Program or the 1994 Tribal Scholars Program carried out by the Department, provided the individual meets the requirements for such conversion and meets Office of Personnel Management qualification standards, as determined by the Secretary. Nothing in the preceding sentence shall be construed as requiring the Secretary to convert an individual under the authority under such sentence.

**SEC. 12520. AUTHORIZATION OF PROTECTION OPERATIONS FOR THE SECRETARY OF AGRICULTURE AND OTHERS.**

7 USC 2279k.

(a) **IN GENERAL.**—The Department of Agriculture is authorized to employ qualified law enforcement officers or special agents to provide—

(1) protection for the Secretary and the Deputy Secretary during the performance of official duties by each such officer and during any activity that is preliminary or postliminary to the performance of official duties by each such officer;

(2) protection, incidental to the protection provided pursuant to paragraph (1), to an individual accompanying each such officer who is participating in an activity or event relating to the official duties of each such officer when there is an articulable threat to such individual;

(3) continuous protection to the Secretary and Deputy Secretary (including during periods not described in paragraph

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(1) if there is an articulable threat of physical harm, in accordance with guidelines established by the Secretary; and

(4) protection of another senior officer representing the Secretary (including a person nominated to be the Secretary during the pendency of such nomination) if there is an articulable threat of physical harm, in accordance with guidelines established by the Secretary.

(b) AUTHORITIES OF THE PROTECTIVE OPERATION.—

(1) IN GENERAL.—The Secretary may authorize officers or special agents employed pursuant to subsection (a)—

(A) to carry firearms;

(B) to conduct criminal investigations into potential threats to the security of persons protected under this section;

(C) to make arrests without a warrant for any offense against the United States committed in the presence of such officer or special agent;

(D) to perform protective intelligence work, including identifying and mitigating potential threats and conducting advance work to review security matters relating to sites and events; and

(E) to coordinate with local law enforcement agencies.

(2) GUIDELINES.—The authority conveyed under this section shall be exercised in accordance with any—

(A) guidelines issued by the Attorney General; and

(B) such additional guidelines as may be issued by the Secretary.

(c) EXCEPTION.—The authorities granted under this section may be exercised notwithstanding section 1343(b)(1) of title 31, United States Code.

(d) REPORT.—Not later than September 30, 2019, and each September 30 through 2024, the Secretary shall provide to the Committee on Agriculture of the House of Representatives and Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the protection provided, and accounting for the expenditures made, pursuant to this section.

## **PART II—NATIONAL OILHEAT RESEARCH ALLIANCE**

### **SEC. 12531. NATIONAL OILHEAT RESEARCH ALLIANCE.**

(a) IN GENERAL.—Section 713 of the National Oilheat Research Alliance Act of 2000 (42 U.S.C. 6201 note; Public Law 106–469) is amended by striking “18 years” and inserting “28 years”.

(b) LIMITATION ON OBLIGATIONS OF FUNDS.—The National Oilheat Research Alliance Act of 2000 (42 U.S.C. 6201 note; Public Law 106–469) is amended by inserting after section 707 the following:

#### **“SEC. 708. LIMITATION ON OBLIGATION OF FUNDS.**

“(a) IN GENERAL.—In each calendar year of the covered period, the Alliance may not obligate an amount greater than the sum of—

“(1) 75 percent of the amount of assessments estimated to be collected under section 707 in that calendar year;

“(2) 75 percent of the amount of assessments actually collected under section 707 in the most recent calendar year



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for which an audit report has been submitted under section 706(f)(2)(B) as of the beginning of the calendar year for which the amount that may be obligated is being determined, less the estimate made pursuant to paragraph (1) for that most recent calendar year; and

“(3) amounts permitted in preceding calendar years to be obligated pursuant to this subsection that have not been obligated.

“(b) EXCESS AMOUNTS DEPOSITED IN ESCROW ACCOUNT.—Assessments collected under section 707 in excess of the amount permitted to be obligated under subsection (a) in a calendar year shall be deposited in an escrow account for the duration of the covered period.

“(c) TREATMENT OF AMOUNTS IN ESCROW ACCOUNT.—

“(1) IN GENERAL.—During the covered period, the Alliance may not obligate, expend, or borrow against amounts required under subsection (b) to be deposited in the escrow account.

“(2) INTEREST.—Any interest earned on amounts described in paragraph (1) shall be—

“(A) deposited in the escrow account; and

“(B) unavailable for obligation for the duration of the covered period.

“(d) RELEASE OF AMOUNTS IN ESCROW ACCOUNT.—Beginning on October 1, 2028, the Alliance may withdraw and obligate any amount in the escrow account.

“(e) COVERED PERIOD DEFINED.—In this section, the term ‘covered period’ means the period that begins on February 6, 2019, and ends on September 30, 2028.”

(c) CONFORMING AMENDMENTS.—The National Oilheat Research Alliance Act of 2000 (42 U.S.C. 6201 note; Public Law 106–469) is amended—

(1) in section 706(d)(1), by striking “not exceed 7 percent of the amount of assessments collected in any calendar year, except that during the first year of operation of the Alliance such expenses and amounts shall not exceed 10 percent of the amount of assessments” and inserting “not exceed 7 percent of the amount of assessments collected in any calendar year that are permitted to be obligated in that calendar year”; and

(2) in section 707—

(A) in subsection (e), by inserting “that are permitted to be obligated” after “amount of assessments collected in the State” each place it appears; and

(B) in subsection (f), by inserting “and permitted to be obligated” after “assessments collected” each place it appears.

## Subtitle F—General Provisions

### SEC. 12601. BAITING OF MIGRATORY GAME BIRDS.

16 USC 704 note.

(a) DEFINITIONS.—In this section:

(1) NORMAL AGRICULTURAL OPERATION.—The term “normal agricultural operation” has the meaning given the term in section 20.11 of title 50, Code of Federal Regulations (as in effect on the date of enactment of this Act).

(2) POST-DISASTER FLOODING.—The term “post-disaster flooding” means the destruction of a crop through flooding

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in accordance with practices required by the Federal Crop Insurance Corporation for agricultural producers to obtain crop insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) on land on which a crop was not harvestable due to a natural disaster (including any hurricane, storm, tornado, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, drought, fire, snowstorm, or other catastrophe that is declared a major disaster by the President in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170)) in the crop year—

(A) in which the natural disaster occurred; or

(B) immediately preceding the crop year in which the natural disaster occurred.

(3) RICE RATOONING.—The term “rice ratooning” means the agricultural practice of harvesting rice by cutting the majority of the aboveground portion of the rice plant but leaving the roots and growing shoot apices intact to allow the plant to recover and produce a second crop yield.

(b) REGULATIONS TO EXCLUDE RICE RATOONING AND POST-DISASTER FLOODING.—Not later than 30 days after the date of enactment of this Act, the Secretary of the Interior, in consultation with the Secretary of Agriculture, shall revise part 20 of title 50, Code of Federal Regulations, to clarify that rice ratooning and post-disaster flooding, when carried out as part of a normal agricultural operation, do not constitute baiting.

(c) REPORTS.—Not less frequently than once each year—

(1) the Secretary of Agriculture shall submit to the Secretary of the Interior a report that describes any changes to normal agricultural operations across the range of crops grown by agricultural producers in each region of the United States in which the official recommendations described in section 20.11(h) of title 50, Code of Federal Regulations (as in effect on the date of enactment of this Act), are provided to agricultural producers; and

(2) the Secretary of the Interior, in consultation with the Secretary of Agriculture and after seeking input from the heads of State departments of fish and wildlife or the Regional Migratory Bird Flyway Councils of the United States Fish and Wildlife Service, shall publicly post a report on the impact that rice ratooning and post-disaster flooding have on the behavior of migratory game birds that are hunted in the area in which rice ratooning and post-disaster flooding, respectively, have occurred.

#### **SEC. 12602. PIMA AGRICULTURE COTTON TRUST FUND.**

Section 12314 of the Agricultural Act of 2014 (7 U.S.C. 2101 note; Public Law 113–79) is amended—

(1) by striking “2018” each place it appears and inserting “2023”;

(2) by striking “calendar year 2013” each place it appears and inserting “the prior calendar year”;

(3) in subsection (b)(2)—

(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

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(B) in the matter preceding clause (i) (as so redesignated), by striking “(2) Twenty-five” and inserting the following:

“(2)(A) Except as provided in subparagraph (B), twenty-five”;

(C) in subparagraph (A)(ii) (as so designated), by striking “subparagraph (A)” and inserting “clause (i)”; and

(D) by adding at the end the following:

“(B)(i) A yarn spinner shall not receive an amount under subparagraph (A) that exceeds the cost of pima cotton that—

“(I) was purchased during the prior calendar year; and

“(II) was used in spinning any cotton yarns.

“(ii) The Secretary shall reallocate any amounts reduced by reason of the limitation under clause (i) to spinners using the ratio described in subparagraph (A), disregarding production of any spinner subject to that limitation.”;

(4) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking “(b)(2)(A)” and inserting “(b)(2)(A)(i)”; and

(B) in paragraph (2), by striking “and” at the end;

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

(D) by adding at the end the following:

“(4) the dollar amount of pima cotton purchased during the prior calendar year—

“(A) that was used in spinning any cotton yarns; and

“(B) for which the producer maintains supporting documentation.”;

(5) in subsection (e)—

(A) in the matter preceding paragraph (1), by striking “by the Secretary—” and inserting “by the Secretary not later than March 15 of the applicable calendar year.”; and

(B) by striking paragraphs (1) and (2); and

(6) in subsection (f), by striking “subsection (b)—” in the matter preceding paragraph (1) and all that follows through “not later than” in paragraph (2) and inserting “subsection (b) not later than”.

**SEC. 12603. AGRICULTURE WOOL APPAREL MANUFACTURERS TRUST FUND.**

Section 12315 of the Agricultural Act of 2014 (7 U.S.C. 7101 note; Public Law 113–79) is amended—

(1) by striking “2019” each place it appears and inserting “2023”;

(2) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (A)—

(I) in the matter preceding clause (i), by striking “the payment—” and inserting “the payment, payments in amounts authorized under that paragraph.”; and

(II) by striking clauses (i) and (ii); and

(ii) in subparagraph (B)—

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(I) in the matter preceding clause (i), by striking “4002(c)—” and inserting “4002(c), payments in amounts authorized under that paragraph.”; and

(II) by striking clauses (i) and (ii); and

(B) in paragraph (2), by striking “submitted—” in the matter preceding subparagraph (A) and all that follows through “to the Secretary” in subparagraph (B) and inserting “submitted to the Secretary”; and

(3) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking “subsection (b)—” and inserting “subsection (b) not later than April 15 of the year of the payment.”; and

(B) by striking paragraphs (1) and (2).

**SEC. 12604. WOOL RESEARCH AND PROMOTION.**

Section 12316(a) of the Agricultural Act of 2014 (7 U.S.C. 7101 note; Public Law 113–79) is amended by striking “2015 through 2019” and inserting “2019 through 2023”.

7 USC 7632 note.

**SEC. 12605. EMERGENCY CITRUS DISEASE RESEARCH AND DEVELOPMENT TRUST FUND.**

(a) DEFINITION OF CITRUS.—In this section, the term “citrus” means edible fruit of the family Rutaceae, including any hybrid of that fruit and any product of that hybrid that is produced for commercial purposes in the United States.

(b) ESTABLISHMENT OF TRUST FUND.—There is established in the Treasury of the United States a trust fund, to be known as the Emergency Citrus Disease Research and Development Trust Fund (referred to in this section as the “Citrus Trust Fund”), consisting of such amounts as shall be transferred to the Citrus Trust Fund pursuant to subsection (d).

(c) USE OF FUND.—From amounts in the Citrus Trust Fund, the Secretary shall, beginning in fiscal year 2019, carry out the Emergency Citrus Disease Research and Extension Program in section 412(j) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7632(j)).

(d) FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall transfer to the Citrus Trust Fund \$25,000,000 for each of fiscal years 2019 through 2023, to remain available until expended.

**SEC. 12606. EXTENSION OF MERCHANDISE PROCESSING FEES.**

Section 503 of the United States–Korea Free Trade Agreement Implementation Act (Public Law 112–41; 19 U.S.C. 3805 note) is amended by striking “February 24, 2027” and inserting “May 26, 2027”.

7 USC 2204i.

**SEC. 12607. REPORTS ON LAND ACCESS AND FARMLAND OWNERSHIP DATA COLLECTION.**

(a) LAND ACCESS.—Not later than 1 year after the date of enactment of this Act, the Secretary of Agriculture, in consultation with the Chief Economist, shall submit to Congress and make publicly available a report identifying—

(1) the barriers that prevent or hinder the ability of beginning farmers and ranchers (as defined in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a))) and socially disadvantaged farmers and

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ranchers (as defined in such section) to acquire or access farmland;

(2) the extent to which Federal programs, including agricultural conservation easement programs, land transition programs, and financing programs, are improving—

(A) farmland access and tenure for beginning farmers and ranchers and socially disadvantaged farmers and ranchers; and

(B) farmland transition and succession; and

(3) the regulatory, operational, or statutory changes that are necessary to improve—

(A) the ability of beginning farmers and ranchers and socially disadvantaged farmers and ranchers to acquire or access farmland;

(B) farmland tenure for beginning farmers and ranchers and socially disadvantaged farmers and ranchers; and

(C) farmland transition and succession.

(b) FARMLAND OWNERSHIP.—The Secretary shall collect and, not less frequently than once every 3 years report, data and analysis on farmland ownership, tenure, transition, and entry of beginning farmers and ranchers and socially disadvantaged farmers and ranchers (as those terms are defined in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a))). In carrying out this subsection, the Secretary shall, at a minimum—

(1) collect and distribute comprehensive reporting of trends in farmland ownership, tenure, transition, barriers to entry, profitability, and viability of beginning farmers and ranchers and socially disadvantaged farmers and ranchers;

(2) develop surveys and report statistical and economic analysis on farmland ownership, tenure, transition, barriers to entry, profitability, and viability of beginning farmers and ranchers, including a regular follow-on survey to each Census of Agriculture with results of the follow-on survey made public not later than 3 years after the previous Census of Agriculture; and

(3) require the National Agricultural Statistics Service to include in the Tenure, Ownership, and Transition of Agricultural Land survey questions relating to—

(A) the extent to which non-farming landowners are purchasing and holding onto farmland for the sole purpose of real estate investment;

(B) the impact of these farmland ownership trends on the successful entry and viability of beginning farmers and ranchers and socially disadvantaged farmers and ranchers;

(C) the extent to which farm and ranch land with undivided interests and no administrative authority identified have farms or ranches operating on that land; and

(D) the impact of land tenure patterns, categorized by—

(i) race, gender, and ethnicity; and

(ii) region.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$3,000,000 for each fiscal years 2019 through 2023, to remain available until expended.

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**SEC. 12608. REAUTHORIZATION OF RURAL EMERGENCY MEDICAL SERVICES TRAINING AND EQUIPMENT ASSISTANCE PROGRAM.**

Section 330J of the Public Health Service Act (42 U.S.C. 254c–15) is amended—

(1) in subsection (a), by striking “in rural areas” and inserting “in rural areas or to residents of rural areas”;

(2) by striking subsections (b) through (f) and inserting the following:

“(b) **ELIGIBILITY; APPLICATION.**—To be eligible to receive grant under this section, an entity shall—

“(1) be—

“(A) an emergency medical services agency operated by a local or tribal government (including fire-based and non-fire based); or

“(B) an emergency medical services agency that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code; and

“(2) submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

“(c) **USE OF FUNDS.**—An entity—

“(1) shall use amounts received through a grant under subsection (a) to—

“(A) train emergency medical services personnel as appropriate to obtain and maintain licenses and certifications relevant to service in an emergency medical services agency described in subsection (b)(1);

“(B) conduct courses that qualify graduates to serve in an emergency medical services agency described in subsection (b)(1) in accordance with State and local requirements;

“(C) fund specific training to meet Federal or State licensing or certification requirements; and

“(D) acquire emergency medical services equipment;

and

“(2) may use amounts received through a grant under subsection (a) to—

“(A) recruit and retain emergency medical services personnel, which may include volunteer personnel;

“(B) develop new ways to educate emergency health care providers through the use of technology-enhanced educational methods; or

“(C) acquire personal protective equipment for emergency medical services personnel as required by the Occupational Safety and Health Administration.

“(d) **GRANT AMOUNTS.**—Each grant awarded under this section shall be in an amount not to exceed \$200,000.

“(e) **DEFINITIONS.**—In this section:

“(1) The term ‘emergency medical services’—

“(A) means resources used by a public or private non-profit licensed entity to deliver medical care outside of a medical facility under emergency conditions that occur as a result of the condition of the patient; and



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“(B) includes services delivered (either on a compensated or volunteer basis) by an emergency medical services provider or other provider that is licensed or certified by the State involved as an emergency medical technician, a paramedic, or an equivalent professional (as determined by the State).

“(2) The term ‘rural area’ means—

“(A) a nonmetropolitan statistical area;

“(B) an area designated as a rural area by any law or regulation of a State; or

“(C) a rural census tract of a metropolitan statistical area (as determined under the most recent rural urban commuting area code as set forth by the Office of Management and Budget).

“(f) **MATCHING REQUIREMENT.**—The Secretary may not award a grant under this section to an entity unless the entity agrees that the entity will make available (directly or through contributions from other public or private entities) non-Federal contributions toward the activities to be carried out under the grant in an amount equal to 10 percent of the amount received under the grant.”; and

(3) in subsection (g)(1), by striking “2002 through 2006” and inserting “2019 through 2023”.

**SEC. 12609. COMMISSION ON FARM TRANSITIONS—NEEDS FOR 2050.**

(a) **ESTABLISHMENT.**—There is established a commission to be known as the Commission on Farm Transitions–Needs for 2050 (referred to in this section as the “Commission”).

(b) **STUDY.**—The Commission shall conduct a study on issues impacting the transition of agricultural operations from established farmers and ranchers to the next generation of farmers and ranchers, including—

(1) access to, and availability of—

(A) quality land and necessary infrastructure;

(B) affordable credit;

(C) adequate risk management tools; and

(D) apprenticeship and mentorship programs;

(2) agricultural asset transfer strategies in use as of the date of the enactment of this Act and improvements to such strategies;

(3) incentives that may facilitate agricultural asset transfers to the next generation of farmers and ranchers, including an assessment of, and recommendations for, how existing and new Federal tax policies—

(A) facilitate lifetime and estate transfers; and

(B) impact individuals seeking to farm who do not have family farm lineage or access to farmland;

(4) the causes of the failures of such transitions, if any; and

(5) the effectiveness of programs and incentives providing assistance with respect to such transitions in effect on the date of the enactment of this Act and opportunities for the revision or improvement of such programs.

(c) **MEMBERSHIP.**—

(1) **COMPOSITION.**—The Commission shall be composed of 10 members, as follows:

(A) 3 members appointed by the Secretary.

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(B) 3 members appointed by the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(C) 3 members appointed by the Committee on Agriculture of the House of Representatives.

(D) The Chief Economist of the Department of Agriculture.

(2) FEDERAL GOVERNMENT EMPLOYMENT.—In addition to the Chief Economist of the Department of Agriculture, the membership of the Commission may include 1 or more employees of the Department of Agriculture or other Federal agencies.

(3) DATE OF APPOINTMENTS.—The appointment of all members of the Commission shall be made not later than 60 days after the date of enactment of this Act.

(4) TERM; VACANCIES.—

(A) TERM.—A member shall be appointed for the life of the Commission.

(B) VACANCIES.—A vacancy on the Commission—

(i) shall not affect the powers of the Commission; and

(ii) shall be filled in the same manner as the original appointment was made.

(5) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold the initial meeting of the Commission.

(d) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business, but a lesser number of members may hold hearings.

(e) CHAIRPERSON.—The Secretary shall appoint 1 of the members of the Commission to serve as Chairperson of the Commission.

(f) REPORT.—Not later than 1 year after the date of enactment of this Act, the Commission shall submit to the President, the Committee on Agriculture of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report containing the results of the study required by subsection (b), including such recommendations as the Commission considers appropriate.

(g) HEARINGS.—The Commission may hold such hearings, meet and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out this section.

(h) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from a Federal agency such information as the Commission considers necessary to carry out this section. On request of the Chairperson of the Commission, the head of the agency shall provide the information to the Commission.

(i) POSTAL SERVICES.—The Commission may use the United States mail in the same manner and under the same conditions as other agencies of the Federal Government.

(j) ASSISTANCE FROM SECRETARY.—The Secretary may provide to the Commission appropriate office space and such reasonable administrative and support services as the Commission may request.

(k) COMPENSATION OF MEMBERS.—

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(1) NON-FEDERAL EMPLOYEES.—A member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Commission.

(2) FEDERAL EMPLOYEES.—A member of the Commission who is an officer or employee of the Federal Government shall serve without compensation in addition to the compensation received for the services of the member as an officer or employee of the Federal Government.

(3) TRAVEL EXPENSES.—A member of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for an employee of an agency under subchapter I of chapter 57 of title 5, United States Code, while away from the home or regular place of business of the member in the performance of the duties of the Commission.

(l) FEDERAL ADVISORY COMMITTEE ACT.—Sections 9 and 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission or any proceeding of the Commission.

(m) TERMINATION.—The Commission shall terminate on September 30, 2023.

**SEC. 12610. EXCEPTIONS UNDER UNITED STATES GRAIN STANDARDS ACT.**

(a) GEOGRAPHIC BOUNDARIES FOR OFFICIAL AGENCIES.—Section 7 of the United States Grain Standards Act (7 U.S.C. 79) is amended—

(1) in subsection (f)(2)—

(A) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (iii), and (iv), respectively, and indenting appropriately;

(B) in the matter preceding clause (i) (as so redesignated), by striking “Not more” and inserting the following:

“(A) IN GENERAL.—Subject to subparagraph (B), not more”;

(C) in subparagraph (A) (as so designated), in the matter preceding clause (i) (as so redesignated), by striking “Secretary, except that, if” and inserting the following: “Secretary.

“(B) EXCEPTIONS.—Subject to subsection (g)(4)(A), if”;

(D) in subparagraph (B) (as so designated), by inserting after clause (i) the following:

“(ii) a person requesting inspection services in that geographic area has not been receiving official inspection services from the current designated official agency for that geographic area;” and

(E) by adding at the end the following:

“(C) TERMINATION OF NONUSE OF SERVICE EXCEPTION.—The exception under subparagraph (B)(ii) may only be terminated if all parties to that exception jointly agree on the termination, unless terminated according to subsection (g)(4)(A).

“(D) RESTORATION OF CERTAIN EXCEPTIONS.—

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“(i) DEFINITION OF ELIGIBLE GRAIN HANDLING FACILITY.—In this subparagraph, the term ‘eligible grain handling facility’ means a grain handling facility that—

“(I) was granted an exception under the final rule entitled ‘Exceptions to Geographic Areas for Official Agencies Under the USGSA’ (68 Fed. Reg. 19137 (April 18, 2003)); and

“(II) had that exception revoked between September 30, 2015, and the date of enactment of the Agriculture Improvement Act of 2018.

“(ii) RESTORATION OF EXCEPTIONS.—Within 90 days of notification from an eligible grain handling facility, the Secretary shall restore an exception described in clause (i)(I) with an official agency if—

“(I) the eligible grain handling facility and the former excepted official agency agree to restore that exception; and

“(II) the eligible grain handling facility notifies the Secretary of the preferred date for restoration of the exception within 90 days of enactment of the Agriculture Improvement Act of 2018.”; and

(2) in subsection (g), by adding at the end the following:

“(4) EFFECT ON EXCEPTIONS.—

“(A) IN GENERAL.—The exceptions under clauses (ii) and (iv) of subsection (f)(2)(B) shall not apply if the designation of an official agency is terminated, pursuant to paragraph (1).

“(B) DESIGNATION RENEWED OR RESTORED.—If the designation of an official agency is renewed or restored after being terminated under paragraph (1), the Secretary may renew or restore the exceptions under subsection (f)(2)(B) in accordance with that subsection.”.

(b) UNAUTHORIZED WEIGHING PROHIBITED.—Section 7A(i)(2) of the United States Grain Standards Act (7 U.S.C. 79a(i)(2)) is amended—

(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (iii), respectively, and indenting appropriately;

(2) in the matter preceding clause (i) (as so redesignated), by striking “Not more” and inserting the following:

“(A) IN GENERAL.—Subject to subparagraph (B), not more”;

(3) in subparagraph (A) (as so designated), in the matter preceding clause (i) (as so redesignated), by striking “Secretary, except that, if” and inserting the following: “Secretary.

“(B) EXCEPTIONS.—If”;

(4) in subparagraph (B) (as so designated)—

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

(B) by inserting after clause (i) the following:

“(ii) a person requesting weighing services in that geographic area has not been receiving official weighing services from the current designated official agency for that geographic area; or”;

(5) by adding after subparagraph (B) (as so designated)—

“(C) RESTORATION OF CERTAIN EXCEPTIONS.—

“(i) DEFINITION OF ELIGIBLE GRAIN HANDLING FACILITY.—In this subparagraph, the term ‘eligible

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grain handling facility’ means a grain handling facility that—

“(I) was granted an exception under the final rule entitled ‘Exceptions to Geographic Areas for Official Agencies Under the USGSA’ (68 Fed. Reg. 19137 (April 18, 2003)); and

“(II) had that exception revoked between September 30, 2015 and the date of enactment of the Agriculture Improvement Act of 2018.

“(ii) RESTORATION OF EXCEPTIONS.—Within 90 days of notification from an eligible grain handling facility, the Secretary shall restore an exception described in clause (i)(I) with an official agency if—

“(I) the eligible grain handling facility and the former excepted official agency agree to restore that exception; and

“(II) the eligible grain handling facility notifies the Secretary of the preferred date for restoration of the exception within 90 days of enactment of the Agriculture Improvement Act of 2018.”.

(c) TECHNICAL CORRECTION.—Section 7(f)(1) of the United States Grain Standards Act (7 U.S.C. 79(f)(1)) is amended by indenting subparagraph (C) appropriately.

**SEC. 12611. CONFERENCE REPORT REQUIREMENT THRESHOLD.**

Section 14209(a)(3)(A) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 2255b(a)(3)(A)) is amended by striking “\$10,000” and inserting “\$50,000”.

**SEC. 12612. NATIONAL AGRICULTURE IMAGERY PROGRAM.**

7 USC 2204j.

(a) IN GENERAL.—The Secretary of Agriculture, acting through the Administrator of the Farm Service Agency, shall carry out a national agriculture imagery program to annually acquire aerial imagery during agricultural growing seasons from the continental United States.

(b) DATA.—The aerial imagery acquired under this section shall—

- (1) consist of high resolution processed digital imagery;
- (2) be made available in a format that can be provided to Federal, State, and private sector entities;
- (3) be technologically compatible with geospatial information technology; and
- (4) be consistent with the standards established by the Federal Geographic Data Committee.

(c) SUPPLEMENTAL SATELLITE IMAGERY.—The Secretary of Agriculture may supplement the aerial imagery collected under this section with satellite imagery.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$23,000,000 for fiscal year 2019 and each fiscal year thereafter.

**SEC. 12613. REPORT ON INCLUSION OF NATURAL STONE PRODUCTS IN COMMODITY PROMOTION, RESEARCH, AND INFORMATION ACT OF 1996.**

Not later than 180 days after the date of the enactment of this Act, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report

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examining the effect the establishment of a Natural Stone Research and Promotion Board pursuant to the Commodity Promotion, Research, and Information Act of 1996 (7 U.S.C. 7401 et seq.) would have on the natural stone industry, including how such a program would effect—

- (1) research conducted on, and the promotion of, natural stone;
- (2) the development and expansion of domestic markets for natural stone;
- (3) economic activity of the natural stone industry subject to such a Board;
- (4) economic development in rural areas; and
- (5) benefits to consumers in the United States of natural stone products.

**SEC. 12614. ESTABLISHMENT OF FOOD ACCESS LIAISON.**

(a) IN GENERAL.—Subtitle A of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6901 et seq.), as amended by sections 12202, 12302, 12403, and 12504, is amended by adding at the end the following:

7 USC 6925.

**“SEC. 225. FOOD ACCESS LIAISON.**

“(a) ESTABLISHMENT.—The Secretary shall establish the position of Food Access Liaison to coordinate Department programs to reduce barriers to food access and monitor and evaluate the progress of such programs in accordance with this section.

“(b) DUTIES.—The Food Access Liaison shall—

“(1) coordinate the efforts of the Department, including regional offices, to experiment and consider programs and policies aimed at reducing barriers to food access for consumers, including but not limited to participants in nutrition assistance programs;

“(2) provide outreach to entities engaged in activities to reduce barriers to food access in accordance with the statutory authorization for each program;

“(3) provide outreach to entities engaged in activities to reduce barriers to food access, including retailers, markets, producers, and others involved in food production and distribution, with respect to the availability of, and eligibility for, Department programs;

“(4) raise awareness of food access issues in interactions with employees of the Department;

“(5) make recommendations to the Secretary with respect to efforts to reduce barriers to food access; and

“(6) submit to Congress an annual report with respect to the efforts of the Department to reduce barriers to food access.”.

7 USC 6925 note.

(b) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to entities that are participants, or seek to participate, in Department of Agriculture programs related to reduction of barriers to food access.

7 USC 6622b.

**SEC. 12615. ELIGIBILITY FOR OPERATORS ON HEIRS PROPERTY LAND TO OBTAIN A FARM NUMBER.**

(a) DEFINITIONS.—In this section:

(1) ELIGIBLE DOCUMENTATION.—The term “eligible documentation”, with respect to land for which a farm operator



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seeks assignment of a farm number under subsection (b)(1), includes—

(A) in States that have adopted a statute consisting of an enactment or adoption of the Uniform Partition of Heirs Property Act, as approved and recommended for enactment in all States by the National Conference of Commissioners on Uniform State Laws in 2010—

(i) a court order verifying the land meets the definition of heirs property (as defined in that Act); or

(ii) a certification from the local recorder of deeds that the recorded owner of the land is deceased and not less than 1 heir of the recorded owner of the land has initiated a procedure to retitle the land in the name of the rightful heir;

(B) a fully executed, unrecorded tenancy-in-common agreement that sets out ownership rights and responsibilities among all of the owners of the land that—

(i) has been approved by a majority of the ownership interests in that property;

(ii) has given a particular owner the right to manage and control any portion or all of the land for purposes of operating a farm or ranch; and

(iii) was validly entered into under the authority of the jurisdiction in which the land is located;

(C) the tax return of a farm operator farming a property with undivided interests for each of the 5 years preceding the date on which the farm operator submits the tax returns as eligible documentation under subsection (b);

(D) self-certification that the farm operator has control of the land for purposes of operating a farm or ranch; and

(E) any other documentation identified by the Secretary under subsection (c).

(2) FARM NUMBER.—The term “farm number” has the meaning given the term in section 718.2 of title 7, Code of Federal Regulations (as in effect on the date of enactment of this Act).

(b) FARM NUMBER.—

(1) IN GENERAL.—The Secretary shall provide for the assignment of a farm number to any farm operator who provides any form of eligible documentation for purposes of demonstrating that the farm operator has control of the land for purposes of defining that land as a farm.

(2) ELIGIBILITY.—Any farm number provided under paragraph (1) shall be sufficient to satisfy any requirement of the Secretary to have a farm number to participate in a program of the Secretary.

(c) ELIGIBLE DOCUMENTATION.—The Secretary shall identify alternative forms of eligible documentation that a farm operator may provide in seeking the assignment of a farm number under subsection (b)(1).

**SEC. 12616. EXTENDING PROHIBITION ON ANIMAL FIGHTING TO THE TERRITORIES.**

(a) IN GENERAL.—Section 26 of the Animal Welfare Act (7 U.S.C. 2156) is amended—

(1) in subsection (a)—

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(A) in paragraph (1), by striking “Except as provided in paragraph (3), it” and inserting “It”; and

(B) by striking paragraph (3);

(2) by striking subsection (d); and

(3) by redesignating subsections (e), (f), (g), (h), (i), and

(j) as subsections (d), (e), (f), (g), (h), and (i), respectively.

(b) **USE OF POSTAL SERVICE OR OTHER INTERSTATE INSTRUMENTALITIES.**—Section 26(c) of the Animal Welfare Act (7 U.S.C. 2156(c)) is amended by striking “(e)” and inserting “(d)”.

(c) **CRIMINAL PENALTIES.**—Subsection (i) of section 26 of the Animal Welfare Act (7 U.S.C. 2156), as redesignated by section 2(3), is amended by striking “(e)” and inserting “(d)”.

(d) **ENFORCEMENT OF ANIMAL FIGHTING PROHIBITIONS.**—Section 49(a) of title 18, United States Code, is amended by striking “(e)” and inserting “(d)”.

7 USC 2156 note.

(e) **EFFECTIVE DATE.**—The amendments made by this section shall take effect on the date that is one year after the date of the enactment of this Act.

16 USC 1538 note.

**SEC. 12617. EXEMPTION OF EXPORTATION OF CERTAIN ECHINODERMS FROM PERMISSION AND LICENSING REQUIREMENTS.**

(a) **DEFINITIONS.**—In this section:

(1) **CONSERVATION AND MANAGEMENT.**—The term “conservation and management” has the meaning given the term in section 3 of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1802).

(2) **MARINE FISHERIES COMMISSION.**—The term “Marine Fisheries Commission” means an interstate commission (as that term is used in the Interjurisdictional Fisheries Act of 1986 (16 USC 4101 et seq.)).

(3) **STATE JURISDICTION.**—The term “State jurisdiction” means areas under the jurisdiction and authority of a State as described in section 306(a)(2) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1856(a)(2)).

(b) **EXEMPTION.**—Not later than 90 days after the date of enactment of this Act, the Director of the United States Fish and Wildlife Service shall amend section 14.92 of title 50, Code of Federal Regulations, to clarify that—

(1) except as provided in paragraph (2) and subsection (d)(2)—

(A) fish and wildlife described in subsection (c) are fishery products exempt from the export permission requirements of section 9(d)(1) of the Endangered Species Act of 1973 (16 U.S.C. 1538(d)(1)); and

(B) any person may engage in business as an exporter of fish or wildlife described in subsection (c) without procuring—

(i) permission under section 9(d)(1) of the Endangered Species Act of 1973 (16 U.S.C. 1538(d)(1)); or

(ii) an export license under subpart I of part 14 of title 50, Code of Federal Regulations (or successor regulations); and

(2) notwithstanding paragraph (1), unless the person has qualified for and obtained an export license described in paragraph (1)(B)(ii), any person that has been convicted of 1 or more violations of a Federal law relating to the importation,

transportation, or exportation of wildlife shall not be permitted, during the 5-year period beginning on the date of the most recent conviction, to engage in business as an exporter of fish or wildlife described in subsection (c).

(c) COVERED FISH OR WILDLIFE.—The fish or wildlife referred to in subsection (b) are members of the species *Strongylocentrotus droebachiensis* (commonly known as the “green sea urchin”), including any products of that species, that—

(1) do not require a permit under part 16, 17, or 23 of title 50, Code of Federal Regulations (or successor regulations);

(2)(A) are harvested in waters under State jurisdiction;

or

(B) are imported for processing in the United States pursuant to an import license as required under section 14.91 of title 50, Code of Federal Regulations (or a successor regulation), and not exempt from import license requirements under section 14.92 of that title (as in effect on the day before the date of enactment of this Act); and

(3) are exported for purposes of human or animal consumption.

(d) INFORMATION COLLECTION ON EXPORTS.—

(1) IN GENERAL.—The State agency that regulates or otherwise oversees a State fishery in which the fish and wildlife described in subsection (c) are harvested shall annually transmit the conservation and management data (as defined in subsection (a)) to the Interstate Fisheries Management Program Policy Board of the applicable Marine Fisheries Commission.

(2) PRIVACY.—Such data thereafter shall not be released and shall be maintained as confidential by such applicable Marine Fisheries Commission, including data requested under the section 552 of title 5, United States Code, unless disclosure is required under court order or unless the data is essential for an enforcement action under Federal wildlife management laws.

(3) EXCLUSION.—The exemption under subsection (b)(1) shall not apply in a State if—

(A) the State fails to transmit the data required under paragraph (1); or

(B) the applicable Marine Fisheries Commission determines, in consultation with the primary research agency of such Commission, after notice and an opportunity to comment, that the data required under paragraph (1) fails to prove that the State agency or official is engaged in conservation and management of the fish or wildlife described in subsection (c).

**SEC. 12618. DATA ON CONSERVATION PRACTICES.**

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

**“SEC. 1247. DATA ON CONSERVATION PRACTICES.**

16 USC 3847.

“(a) DATA ON CONSERVATION PRACTICES.—The Secretary shall identify available data sets within the Department of Agriculture regarding the use of conservation practices and the effect of such practices on farm and ranch profitability (including such effects relating to crop yields, soil health, and other risk-related factors).

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PUBLIC LAW 115–334—DEC. 20, 2018

“(b) REPORT.—Not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that includes—

“(1) a summary of the data sets identified under subsection (a);

“(2) a summary of the steps the Secretary would have to take to provide access to such data sets by university researchers, including taking into account any technical, privacy, or administrative considerations;

“(3) a summary of safeguards the Secretary employs when providing access to data to university researchers;

“(4) a summary of appropriate procedures to maximize the potential for research benefits while preventing any violations of privacy or confidentiality; and

“(5) recommendations for any necessary authorizations or clarifications of Federal law to allow access to such data sets to maximize the potential for research benefits.”.

**SEC. 12619. CONFORMING CHANGES TO CONTROLLED SUBSTANCES ACT.**

(a) IN GENERAL.—Section 102(16) of the Controlled Substances Act (21 U.S.C. 802(16)) is amended—

(1) by striking “(16) The” and inserting “(16)(A) Subject to subparagraph (B), the”; and

(2) by striking “Such term does not include the” and inserting the following:

“(B) The term ‘marihuana’ does not include—

“(i) hemp, as defined in section 297A of the Agricultural Marketing Act of 1946; or

“(ii) the”.

(b) TETRAHYDROCANNABINOL.—Schedule I, as set forth in section 202(c) of the Controlled Substances Act (21 U.S.C. 812(c)), is amended in subsection (c)(17) by inserting after “Tetrahydrocannabinols” the following: “, except for tetrahydrocannabinols in hemp (as defined under section 297A of the Agricultural Marketing Act of 1946)”.

Approved December 20, 2018.

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**LEGISLATIVE HISTORY—H.R. 2:**

HOUSE REPORTS: Nos. 115–661 (Comm. on Agriculture) and 115–1072 (Comm. of Conference).

CONGRESSIONAL RECORD, Vol. 164 (2018):

May 16–18, considered and failed House.

June 21, considered and passed House.

June 27, 28, considered and passed Senate, amended.

Dec. 11, Senate agreed to the conference report.

Dec. 12, House agreed to the conference report.

DAILY COMPILATION OF PRESIDENTIAL DOCUMENTS (2018):

Dec. 20, Presidential remarks and statement.



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115TH CONGRESS } 2d Session }	HOUSE OF REPRESENTATIVES	{ REPORT 115-_____
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AGRICULTURE IMPROVEMENT ACT OF 2018

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 \_\_\_\_\_.—Ordered to be printed  
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Mr. Conaway, from the committee of conference,  
submitted the following

CONFERENCE REPORT

[To accompany H. R. 2]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2), to provide for the reform and continuation of agricultural and other programs of the Department of Agriculture through fiscal year 2023, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

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

(a) *SHORT TITLE.*—This Act may be cited as the “Agriculture Improvement Act of 2018”.

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

- Sec. 1. Short title; table of contents.
- Sec. 2. Definition of Secretary.

**TITLE I—COMMODITIES**

*Subtitle A—Commodity Policy*

- Sec. 1101. Definition of effective reference price.
- Sec. 1102. Base acres.
- Sec. 1103. Payment yields.
- Sec. 1104. Payment acres.
- Sec. 1105. Producer election.
- Sec. 1106. Price loss coverage.
- Sec. 1107. Agriculture risk coverage.
- Sec. 1108. Repeal of transition assistance for producers of upland cotton.

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*Subtitle B—Marketing Loans*

- Sec. 1201. Extensions.*
- Sec. 1202. Loan rates for nonrecourse marketing assistance loans.*
- Sec. 1203. Economic adjustment assistance for textile mills.*
- Sec. 1204. Special competitive provisions for extra long staple cotton.*
- Sec. 1205. Availability of recourse loans.*

*Subtitle C—Sugar*

- Sec. 1301. Sugar policy.*

*Subtitle D—Dairy Margin Coverage and Other Dairy Related Provisions*

- Sec. 1401. Dairy margin coverage.*
- Sec. 1402. Reauthorizations.*
- Sec. 1403. Class I skim milk price.*
- Sec. 1404. Dairy product donation.*

*Subtitle E—Supplemental Agricultural Disaster Assistance*

- Sec. 1501. Supplemental agricultural disaster assistance.*

*Subtitle F—Noninsured Crop Assistance*

- Sec. 1601. Noninsured crop assistance program.*

*Subtitle G—Administration*

- Sec. 1701. Regulations.*
- Sec. 1702. Suspension of permanent price support authority.*
- Sec. 1703. Payment limitations.*
- Sec. 1704. Adjusted gross income limitations.*
- Sec. 1705. Farm Service Agency accountability.*
- Sec. 1706. Implementation.*
- Sec. 1707. Exemption from certain reporting requirements for certain producers.*

**TITLE II—CONSERVATION**

*Subtitle A—Wetland Conservation*

- Sec. 2101. Wetland conversion.*
- Sec. 2102. Wetland conservation.*
- Sec. 2103. Mitigation banking.*

*Subtitle B—Conservation Reserve Program*

- Sec. 2201. Conservation reserve.*
- Sec. 2202. Conservation reserve enhancement program.*
- Sec. 2203. Farmable wetland program.*
- Sec. 2204. Pilot programs.*
- Sec. 2205. Duties of owners and operators.*
- Sec. 2206. Duties of the Secretary.*
- Sec. 2207. Payments.*
- Sec. 2208. Contracts.*
- Sec. 2209. Eligible land; State law requirements.*

*Subtitle C—Environmental Quality Incentives Program and Conservation Stewardship Program*

- Sec. 2301. Repeal of conservation programs.*
- Sec. 2302. Purposes of environmental quality incentives program.*
- Sec. 2303. Definitions under environmental quality incentives program.*
- Sec. 2304. Establishment and administration of environmental quality incentives program.*
- Sec. 2305. Environmental quality incentives program plan.*
- Sec. 2306. Limitation on payments under environmental quality incentives program.*
- Sec. 2307. Conservation innovation grants and payments.*
- Sec. 2308. Conservation stewardship program.*
- Sec. 2309. Grassland conservation initiative.*

*Subtitle D—Other Conservation Programs*

- Sec. 2401. Watershed protection and flood prevention.*
- Sec. 2402. Soil and water resources conservation.*
- Sec. 2403. Emergency conservation program.*
- Sec. 2404. Conservation of private grazing land.*



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- Sec. 2405. Grassroots source water protection program.*
- Sec. 2406. Voluntary public access and habitat incentive program.*
- Sec. 2407. Wildlife management.*
- Sec. 2408. Feral swine eradication and control pilot program.*
- Sec. 2409. Report on small wetlands.*
- Sec. 2410. Sense of Congress relating to increased watershed-based collaboration.*

*Subtitle E—Funding and Administration*

- Sec. 2501. Commodity Credit Corporation.*
- Sec. 2502. Delivery of technical assistance.*
- Sec. 2503. Administrative requirements for conservation programs.*
- Sec. 2504. Temporary administration of conservation programs.*

*Subtitle F—Agricultural Conservation Easement Program*

- Sec. 2601. Establishment and purposes.*
- Sec. 2602. Definitions.*
- Sec. 2603. Agricultural land easements.*
- Sec. 2604. Wetland reserve easements.*
- Sec. 2605. Administration.*

*Subtitle G—Regional Conservation Partnership Program*

- Sec. 2701. Establishment and purposes.*
- Sec. 2702. Definitions.*
- Sec. 2703. Regional conservation partnerships.*
- Sec. 2704. Assistance to producers.*
- Sec. 2705. Funding.*
- Sec. 2706. Administration.*
- Sec. 2707. Critical conservation areas.*

*Subtitle H—Repeals and Technical Amendments*

*PART I—REPEALS*

- Sec. 2811. Repeal of Conservation Corridor Demonstration Program.*
- Sec. 2812. Repeal of cranberry acreage reserve program.*
- Sec. 2813. Repeal of National Natural Resources Foundation.*
- Sec. 2814. Repeal of flood risk reduction.*
- Sec. 2815. Repeal of study of land use for expiring contracts and extension of authority.*
- Sec. 2816. Repeal of Integrated Farm Management Program Option.*
- Sec. 2817. Repeal of clarification of definition of agricultural lands.*

*PART II—TECHNICAL AMENDMENTS*

- Sec. 2821. Technical amendments.*
- Sec. 2822. State technical committees.*

*TITLE III—TRADE*

*Subtitle A—Food for Peace Act*

- Sec. 3101. Labeling requirements.*
- Sec. 3102. Food aid quality assurance.*
- Sec. 3103. Local sale and barter of commodities.*
- Sec. 3104. Minimum levels of assistance.*
- Sec. 3105. Food aid consultative group.*
- Sec. 3106. Issuance of regulations.*
- Sec. 3107. Oversight, monitoring, and evaluation.*
- Sec. 3108. Assistance for stockpiling and rapid transportation, delivery, and distribution of shelf-stable prepackaged foods.*
- Sec. 3109. Consideration of impact of provision of agricultural commodities and other assistance on local farmers and economy.*
- Sec. 3110. Allowance for distribution costs.*
- Sec. 3111. Prepositioning of agricultural commodities.*
- Sec. 3112. Annual report regarding food aid programs and activities.*
- Sec. 3113. Deadline for agreements to finance sales or to provide other assistance.*
- Sec. 3114. Minimum level of nonemergency food assistance.*
- Sec. 3115. Termination date for micronutrient fortification programs.*
- Sec. 3116. John Ogonowski and Doug Bereuter Farmer-to-Farmer program.*

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*Subtitle B—Agricultural Trade Act of 1978**Sec. 3201. Agricultural trade promotion and facilitation.**Subtitle C—Other Agricultural Trade Laws*

- Sec. 3301. Growing American Food Exports.*
- Sec. 3302. Food for Progress Act of 1985.*
- Sec. 3303. Bill Emerson Humanitarian Trust Act.*
- Sec. 3304. Promotion of agricultural exports to emerging markets.*
- Sec. 3305. Cochran fellowship program.*
- Sec. 3306. Borlaug International Agricultural Science and Technology Fellowship program.*
- Sec. 3307. International Agricultural Education Fellowship program.*
- Sec. 3308. International food security technical assistance.*
- Sec. 3309. McGovern-Dole International Food for Education and Child Nutrition program.*
- Sec. 3310. Global Crop Diversity Trust.*
- Sec. 3311. Local and regional food aid procurement projects.*
- Sec. 3312. Foreign trade missions.*

*TITLE IV—NUTRITION**Subtitle A—Supplemental Nutrition Assistance Program*

- Sec. 4001. Requirements for online acceptance of benefits.*
- Sec. 4002. Re-evaluation of thrifty food plan.*
- Sec. 4003. Food distribution program on Indian reservations.*
- Sec. 4004. Simplified homeless housing costs.*
- Sec. 4005. Employment and training for supplemental nutrition assistance program.*
- Sec. 4006. Improvements to electronic benefit transfer system.*
- Sec. 4007. Review of supplemental nutrition assistance program operations.*
- Sec. 4008. Retail incentives.*
- Sec. 4009. Required action on data match information.*
- Sec. 4010. Incentivizing technology modernization.*
- Sec. 4011. Interstate data matching to prevent multiple issuances.*
- Sec. 4012. Requirement of live-production environments for certain pilot projects relating to cost sharing for computerization.*
- Sec. 4013. Quality control improvements.*
- Sec. 4014. Evaluation of child support enforcement cooperation requirements.*
- Sec. 4015. Longitudinal data for research.*
- Sec. 4016. Authorization of appropriations.*
- Sec. 4017. Assistance for community food projects.*
- Sec. 4018. Emergency food assistance program.*
- Sec. 4019. Nutrition education.*
- Sec. 4020. Retail food store and recipient trafficking.*
- Sec. 4021. Public-private partnerships.*
- Sec. 4022. Technical corrections.*

*Subtitle B—Commodity Distribution Programs*

- Sec. 4101. Commodity distribution program.*
- Sec. 4102. Commodity supplemental food program.*
- Sec. 4103. Distribution of surplus commodities to special nutrition projects.*
- Sec. 4104. Food donation standards.*

*Subtitle C—Miscellaneous*

- Sec. 4201. Seniors farmers' market nutrition program.*
- Sec. 4202. Purchase of fresh fruits and vegetables for distribution to schools and service institutions.*
- Sec. 4203. Service of traditional foods in public facilities.*
- Sec. 4204. Healthy food financing initiative.*
- Sec. 4205. The Gus Schumacher nutrition incentive program.*
- Sec. 4206. Micro-grants for food security.*
- Sec. 4207. Buy American requirements.*
- Sec. 4208. Healthy fluid milk incentives projects.*

*TITLE V—CREDIT**Subtitle A—Farm Ownership Loans*

- Sec. 5101. Modification of the 3-year experience eligibility requirement for farm ownership loans.*

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- Sec. 5102. Conservation loan and loan guarantee program.*
- Sec. 5103. Limitations on amount of farm ownership loans.*
- Sec. 5104. Relending program to resolve ownership and succession on farmland.*

*Subtitle B—Operating Loans*

- Sec. 5201. Limitations on amount of operating loans.*
- Sec. 5202. Microloans.*
- Sec. 5203. Cooperative lending pilot projects.*

*Subtitle C—Administrative Provisions*

- Sec. 5301. Beginning farmer and rancher individual development accounts pilot program.*
- Sec. 5302. Loan authorization levels.*
- Sec. 5303. Loan fund set-asides.*
- Sec. 5304. Use of additional funds for direct operating microloans under certain conditions.*
- Sec. 5305. Equitable relief.*
- Sec. 5306. Socially disadvantaged farmers and ranchers; qualified beginning farmers and ranchers.*
- Sec. 5307. Emergency loan eligibility.*

*Subtitle D—Miscellaneous*

- Sec. 5401. Technical corrections to the Consolidated Farm and Rural Development Act.*
- Sec. 5402. State agricultural mediation programs.*
- Sec. 5403. Compensation of bank directors.*
- Sec. 5404. Sharing of privileged and confidential information.*
- Sec. 5405. Facility headquarters.*
- Sec. 5406. Removal and prohibition authority; industry-wide prohibition.*
- Sec. 5407. Jurisdiction over institution-affiliated parties.*
- Sec. 5408. Definition of institution-affiliated party.*
- Sec. 5409. Prohibition on use of funds.*
- Sec. 5410. Expansion of acreage exception to loan amount limitation.*
- Sec. 5411. Repeal of obsolete provisions; technical corrections.*
- Sec. 5412. Corporation as conservator or receiver; certain other powers.*
- Sec. 5413. Reporting.*
- Sec. 5414. Study on loan risk.*
- Sec. 5415. GAO report on ability of the Farm Credit System to meet the agricultural credit needs of Indian tribes and their members.*
- Sec. 5416. GAO report on credit service to socially disadvantaged farmers and ranchers.*

*TITLE VI—RURAL DEVELOPMENT**Subtitle A—Improving Health Outcomes in Rural America*

- Sec. 6101. Combating substance use disorder in rural America; prioritizations.*
- Sec. 6102. Distance learning and telemedicine.*
- Sec. 6103. Refinancing of certain rural hospital debt.*

*Subtitle B—Connecting Rural Americans to High Speed Broadband*

- Sec. 6201. Access to broadband telecommunications services in rural areas.*
- Sec. 6202. Expansion of middle mile infrastructure into rural areas.*
- Sec. 6203. Modifications to the Rural Gigabit Program.*
- Sec. 6204. Community Connect Grant Program.*
- Sec. 6205. Outdated broadband systems.*
- Sec. 6206. Default and deobligation; deferral.*
- Sec. 6207. Public notice, assessments, and reporting requirements.*
- Sec. 6208. Environmental reviews.*
- Sec. 6209. Use of loan proceeds to refinance loans for deployment of broadband service.*
- Sec. 6210. Smart utility authority for broadband.*
- Sec. 6211. Refinancing of telephone loans.*
- Sec. 6212. Federal broadband program coordination.*
- Sec. 6213. Transition rule.*
- Sec. 6214. Rural broadband integration working group.*

*Subtitle C—Miscellaneous*

- Sec. 6301. Exclusion of certain populations from definition of rural area.*

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- Sec. 6302. *Establishment of technical assistance program.*
- Sec. 6303. *Rural energy savings program.*
- Sec. 6304. *Northern Border Regional Commission reauthorization.*
- Sec. 6305. *Definition of rural area for purposes of the Housing Act of 1949.*
- Sec. 6306. *Council on Rural Community Innovation and Economic Development.*

*Subtitle D—Additional Amendments to the Consolidated Farm and Rural  
Development Act*

- Sec. 6401. *Strategic economic and community development.*
- Sec. 6402. *Expanding access to credit for rural communities.*
- Sec. 6403. *Water, waste disposal, and wastewater facility grants.*
- Sec. 6404. *Rural water and wastewater technical assistance and training programs.*
- Sec. 6405. *Rural water and wastewater circuit rider program.*
- Sec. 6406. *Tribal college and university essential community facilities.*
- Sec. 6407. *Emergency and imminent community water assistance grant program.*
- Sec. 6408. *Water systems for rural and native villages in Alaska.*
- Sec. 6409. *Rural decentralized water systems.*
- Sec. 6410. *Solid waste management grants.*
- Sec. 6411. *Rural business development grants.*
- Sec. 6412. *Rural cooperative development grants.*
- Sec. 6413. *Locally or regionally produced agricultural food products.*
- Sec. 6414. *Appropriate technology transfer for rural areas program.*
- Sec. 6415. *Rural economic area partnership zones.*
- Sec. 6416. *Intermediary relending program.*
- Sec. 6417. *Access to information to verify income for participants in certain rural housing programs.*
- Sec. 6418. *Providing for additional fees for guaranteed loans under the Consolidated Farm and Rural Development Act.*
- Sec. 6419. *Rural Business-Cooperative Service programs technical assistance and training.*
- Sec. 6420. *National Rural Development Partnership.*
- Sec. 6421. *Grants for NOAA weather radio transmitters.*
- Sec. 6422. *Rural microentrepreneur assistance program.*
- Sec. 6423. *Health care services.*
- Sec. 6424. *Rural innovation stronger economy grant program.*
- Sec. 6425. *Delta Regional Authority.*
- Sec. 6426. *Rural business investment program.*
- Sec. 6427. *Rural business investment program.*

*Subtitle E—Additional Amendments to the Rural Electrification Act of 1936*

- Sec. 6501. *Amendments to section 2 of the Rural Electrification Act of 1936.*
- Sec. 6502. *Loans for telephone service.*
- Sec. 6503. *Cushion of credit payments program.*
- Sec. 6504. *Extension of the rural economic development loan and grant program.*
- Sec. 6505. *Guarantees for bonds and notes issued for electrification or telephone purposes.*
- Sec. 6506. *Expansion of 911 access.*
- Sec. 6507. *Cybersecurity and grid security improvements.*

*Subtitle F—Program Repeals*

- Sec. 6601. *Elimination of unfunded programs.*
- Sec. 6602. *Repeal of Rural Telephone Bank.*
- Sec. 6603. *Amendments to LOCAL TV Act.*

*Subtitle G—Technical Corrections*

- Sec. 6701. *Corrections relating to the Consolidated Farm and Rural Development Act.*
- Sec. 6702. *Corrections relating to the Rural Electrification Act of 1936.*

**TITLE VII—RESEARCH, EXTENSION, AND RELATED MATTERS**

*Subtitle A—National Agricultural Research, Extension, and Teaching Policy Act of  
1977*

- Sec. 7101. *Purposes of agricultural research, extension, and education.*
- Sec. 7102. *Matters related to certain school designations and declarations.*
- Sec. 7103. *National Agricultural Research, Extension, Education, and Economics Advisory Board.*
- Sec. 7104. *Specialty crop committee.*

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- Sec. 7105. *Renewable energy committee discontinued.*
- Sec. 7106. *Veterinary services grant program.*
- Sec. 7107. *Grants and fellowships for food and agriculture sciences education.*
- Sec. 7108. *Agricultural and food policy research centers.*
- Sec. 7109. *Education grants to Alaska Native serving institutions and Native Hawaiian serving institutions.*
- Sec. 7110. *Next generation agriculture technology challenge.*
- Sec. 7111. *Land-grant designation.*
- Sec. 7112. *Nutrition education program.*
- Sec. 7113. *Continuing animal health and disease research programs.*
- Sec. 7114. *Carryover of funds for extension at 1890 land-grant colleges, including Tuskegee University.*
- Sec. 7115. *Extension and agricultural research at 1890 land-grant colleges, including Tuskegee University.*
- Sec. 7116. *Reports on disbursement of funds for agricultural research and extension at 1862 and 1890 land-grant colleges, including Tuskegee University.*
- Sec. 7117. *Scholarships for students at 1890 institutions.*
- Sec. 7118. *Grants to upgrade agricultural and food sciences facilities at 1890 land-grant colleges, including Tuskegee University.*
- Sec. 7119. *Grants to upgrade agriculture and food sciences facilities and equipment at insular area land-grant institutions.*
- Sec. 7120. *New Beginning for Tribal Students.*
- Sec. 7121. *Hispanic-serving institutions.*
- Sec. 7122. *Binational agricultural research and development.*
- Sec. 7123. *Partnerships to build capacity in international agricultural research, extension, and teaching.*
- Sec. 7124. *Competitive grants for international agricultural science and education programs.*
- Sec. 7125. *Limitation on indirect costs for agricultural research, education, and extension programs.*
- Sec. 7126. *Research equipment grants.*
- Sec. 7127. *University research.*
- Sec. 7128. *Extension service.*
- Sec. 7129. *Supplemental and alternative crops; hemp.*
- Sec. 7130. *New Era Rural Technology program.*
- Sec. 7131. *Capacity building grants for NLGCA Institutions.*
- Sec. 7132. *Agriculture advanced research and development authority pilot.*
- Sec. 7133. *Aquaculture assistance programs.*
- Sec. 7134. *Rangeland research programs.*
- Sec. 7135. *Special authorization for biosecurity planning and response.*
- Sec. 7136. *Distance education and resident instruction grants program for insular area institutions of higher education.*

*Subtitle B—Food, Agriculture, Conservation, and Trade Act of 1990*

- Sec. 7201. *Best utilization of biological applications.*
- Sec. 7202. *Integrated management systems.*
- Sec. 7203. *Sustainable agriculture technology development and transfer program.*
- Sec. 7204. *National training program.*
- Sec. 7205. *National strategic germplasm and cultivar collection assessment and utilization plan.*
- Sec. 7206. *National Genetics Resources Program.*
- Sec. 7207. *National Agricultural Weather Information System.*
- Sec. 7208. *Agricultural genome to phenome initiative.*
- Sec. 7209. *High-priority research and extension initiatives.*
- Sec. 7210. *Organic agriculture research and extension initiative.*
- Sec. 7211. *Farm business management.*
- Sec. 7212. *Urban, indoor, and other emerging agricultural production research, education, and extension initiative.*
- Sec. 7213. *Centers of excellence at 1890 Institutions.*
- Sec. 7214. *Clarification of veteran eligibility for assistive technology program for farmers with disabilities.*
- Sec. 7215. *National Rural Information Center Clearinghouse.*

*Subtitle C—Agricultural Research, Extension, and Education Reform Act of 1998*

- Sec. 7301. *National food safety training, education, extension, outreach, and technical assistance program.*
- Sec. 7302. *Integrated research, education, and extension competitive grants program.*

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- Sec. 7303. *Support for research regarding diseases of wheat, triticale, and barley caused by Fusarium graminearum or by Tilletia indica.*
- Sec. 7304. *Grants for youth organizations.*
- Sec. 7305. *Specialty crop research initiative.*
- Sec. 7306. *Food Animal Residue Avoidance Database program.*
- Sec. 7307. *Office of Pest Management Policy.*
- Sec. 7308. *Forestry products advanced utilization research.*

*Subtitle D—Food, Conservation, and Energy Act of 2008*

**PART I—AGRICULTURAL SECURITY**

- Sec. 7401. *Agricultural biosecurity communication center.*
- Sec. 7402. *Assistance to build local capacity in agricultural biosecurity planning, preparation, and response.*
- Sec. 7403. *Research and development of agricultural countermeasures.*
- Sec. 7404. *Agricultural biosecurity grant program.*

**PART II—MISCELLANEOUS**

- Sec. 7411. *Grazinglands research laboratory.*
- Sec. 7412. *Farm and Ranch Stress Assistance Network.*
- Sec. 7413. *Natural products research program.*
- Sec. 7414. *Sun grant program.*

*Subtitle E—Amendments to Other Laws*

- Sec. 7501. *Critical Agricultural Materials Act.*
- Sec. 7502. *Equity in Educational Land-Grant Status Act of 1994.*
- Sec. 7503. *Research Facilities Act.*
- Sec. 7504. *Agriculture and Food Research Initiative.*
- Sec. 7505. *Extension design and demonstration initiative.*
- Sec. 7506. *Repeal of review of agricultural research service.*
- Sec. 7507. *Biomass research and development.*
- Sec. 7508. *Reinstatement of matching requirement for Federal funds used in extension work at the University of the District of Columbia.*
- Sec. 7509. *Renewable Resources Extension Act of 1978.*
- Sec. 7510. *National Aquaculture Act of 1980.*
- Sec. 7511. *Federal agriculture research facilities.*

*Subtitle F—Other Matters*

- Sec. 7601. *Enhanced use lease authority program.*
- Sec. 7602. *Transfer of administrative jurisdiction over portion of Henry A. Wallace Beltsville Agricultural Research Center, Beltsville, Maryland.*
- Sec. 7603. *Foundation for food and agriculture research.*
- Sec. 7604. *Assistance for forestry research under the McIntire-Stennis Cooperative Forestry Act.*
- Sec. 7605. *Legitimacy of industrial hemp research.*
- Sec. 7606. *Collection of data relating to barley area planted and harvested.*
- Sec. 7607. *Collection of data relating to the size and location of dairy farms.*
- Sec. 7608. *Agriculture innovation center demonstration program.*
- Sec. 7609. *Smith-Lever community extension program.*
- Sec. 7610. *Mechanization and automation for specialty crops.*
- Sec. 7611. *Experienced services program.*
- Sec. 7612. *Simplified plan of work.*
- Sec. 7613. *Review of land-grant time and effort reporting requirements.*
- Sec. 7614. *Matching funds requirement.*

**TITLE VIII—FORESTRY**

*Subtitle A—Cooperative Forestry Assistance Act of 1978*

- Sec. 8101. *Support for State assessments and strategies for forest resources.*
- Sec. 8102. *State and private forest landscape-scale restoration program.*

*Subtitle B—Forest and Rangeland Renewable Resources Research Act of 1978*

- Sec. 8201. *Repeal of recycling research.*
- Sec. 8202. *Repeal of forestry student grant program.*

*Subtitle C—Global Climate Change Prevention Act of 1990*

- Sec. 8301. *Repeals relating to biomass.*



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*Subtitle D—Healthy Forests Restoration Act of 2003*

- Sec. 8401. Promoting cross-boundary wildfire mitigation.*
- Sec. 8402. Authorization of appropriations for hazardous fuel reduction on Federal land.*
- Sec. 8403. Repeal of biomass commercial utilization grant program.*
- Sec. 8404. Water Source Protection Program.*
- Sec. 8405. Watershed Condition Framework.*
- Sec. 8406. Authorization of appropriations to combat insect infestations and related diseases.*
- Sec. 8407. Healthy Forests Restoration Act of 2003 amendments.*
- Sec. 8408. Authorization of appropriations for designation of treatment areas.*

*Subtitle E—Repeal or Reauthorization of Miscellaneous Forestry Programs*

- Sec. 8501. Repeal of revision of strategic plan for forest inventory and analysis.*
- Sec. 8502. Semiarid agroforestry research center.*
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- Sec. 8504. Conveyance of Forest Service administrative sites.*

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- Sec. 8601. Definition of National Forest System.*

*PART I—EXPEDITED ENVIRONMENTAL ANALYSIS AND AVAILABILITY OF CATEGORICAL EXCLUSIONS TO EXPEDITE FOREST MANAGEMENT ACTIVITIES*

- Sec. 8611. Categorical exclusion for greater sage-grouse and mule deer habitat.*

*PART II—MISCELLANEOUS FOREST MANAGEMENT ACTIVITIES*

- Sec. 8621. Additional authority for sale or exchange of small parcels of National Forest System land.*
- Sec. 8622. Forest Service participation in ACES program.*
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- Sec. 8625. Chattahoochee-Oconee National Forest land adjustment.*
- Sec. 8626. Tennessee wilderness.*
- Sec. 8627. Kisatchie National Forest land conveyance.*
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- Sec. 8641. Definitions.*
- Sec. 8642. Clarification of research and development program for wood building construction.*
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*Subtitle G—Other Matters*

- Sec. 8701. Rural revitalization technologies.*
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- Sec. 8703. Tribal forest management demonstration project.*
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- Sec. 8706. Report on wildfire, insect infestation, and disease prevention on Federal land.*
- Sec. 8707. West Fork Fire Station.*
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*TITLE IX—ENERGY*

- Sec. 9001. Definitions.*
- Sec. 9002. Biobased markets program.*
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- Sec. 9005. *Bioenergy program for advanced biofuels.*
- Sec. 9006. *Biodiesel fuel education program.*
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## TITLE X—HORTICULTURE

- Sec. 10101. *Specialty crops market news allocation.*
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- Sec. 10111. *Report on plant biostimulants.*
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- Sec. 11101. *Definitions.*
- Sec. 11102. *Data collection.*
- Sec. 11103. *Sharing of records.*
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- Sec. 11113. *Submission of policies and materials to board.*
- Sec. 11114. *Crop production on native sod.*
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- Sec. 11118. *Program administration.*
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- Sec. 12101. *Animal disease prevention and management.*
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- Sec. 12404. Farm Service Agency.*
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- Sec. 12408. Administrator of the Rural Utilities Service.*
- Sec. 12409. Rural Health Liaison.*
- Sec. 12410. Natural Resources Conservation Service.*
- Sec. 12411. Office of the Chief Scientist.*
- Sec. 12412. Appointment of national appeals division hearing officers.*
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- Sec. 12416. Termination of authority.*

*Subtitle E—Other Miscellaneous Provisions**PART I—MISCELLANEOUS AGRICULTURE PROVISIONS*

- Sec. 12501. Acer access and development program.*
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- Sec. 12507. Report on absent landlords.*
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- Sec. 12510. Tribal Promise Zones.*
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- Sec. 12516. Labeling exemption for single ingredient foods and products.*
- Sec. 12517. South Carolina inclusion in Virginia/Carolina peanut producing region.*
- Sec. 12518. Forest Service hire authority.*
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- Sec. 12601. Baiting of migratory game birds.*
- Sec. 12602. Pima agriculture cotton trust fund.*
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- Sec. 12604. *Wool research and promotion.*
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- Sec. 12606. *Extension of merchandise processing fees.*
- Sec. 12607. *Reports on land access and farmland ownership data collection.*
- Sec. 12608. *Reauthorization of rural emergency medical services training and equipment assistance program.*
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- Sec. 12614. *Establishment of food access liaison.*
- Sec. 12615. *Eligibility for operators on heirs property land to obtain a farm number.*
- Sec. 12616. *Extending prohibition on animal fighting to the territories.*
- Sec. 12617. *Exemption of exportation of certain echinoderms from permission and licensing requirements.*
- Sec. 12618. *Data on conservation practices.*
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**SEC. 2. DEFINITION OF SECRETARY.**

*In this Act, the term “Secretary” means the Secretary of Agriculture.*

## **TITLE I—COMMODITIES**

### **Subtitle A—Commodity Policy**

**SEC. 1101. DEFINITION OF EFFECTIVE REFERENCE PRICE.**

*Section 1111 of the Agricultural Act of 2014 (7 U.S.C. 9011) is amended—*

*(1) by redesignating paragraphs (8) through (25) as paragraphs (9) through (26), respectively; and*

*(2) by inserting after paragraph (7) the following:*

*“(8) EFFECTIVE REFERENCE PRICE.—The term ‘effective reference price’, with respect to a covered commodity for a crop year, means the lesser of the following:*

*“(A) An amount equal to 115 percent of the reference price for such covered commodity.*

*“(B) An amount equal to the greater of—*

*“(i) the reference price for such covered commodity;*

*or*

*“(ii) 85 percent of the average of the marketing year average price of the covered commodity for the most recent 5 crop years, excluding each of the crop years with the highest and lowest marketing year average price.”.*

**SEC. 1102. BASE ACRES.**

*(a) TECHNICAL CORRECTIONS.—Section 1112(c)(2) of the Agricultural Act of 2014 (7 U.S.C. 9012(c)(2)) is amended by striking subparagraph (A) and inserting the following:*

*“(A) Any acreage on the farm enrolled in—*

*“(i) the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.); or*

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“(ii) a wetland reserve easement under section 1265C of the Food Security Act of 1985 (16 U.S.C. 3865c).”.

(b) *REDUCTION IN BASE ACRES.*—Section 1112(d) of the Agricultural Act of 2014 (7 U.S.C. 9012(d)) is amended by adding at the end the following:

“(3) *TREATMENT OF BASE ACRES ON FARMS ENTIRELY PLANTED TO GRASS OR PASTURE.*—

“(A) *IN GENERAL.*—In the case of a farm on which all of the cropland was planted to grass or pasture (including cropland that was idle or fallow), as determined by the Secretary, during the period beginning on January 1, 2009, and ending on December 31, 2017, the Secretary shall maintain all base acres and payment yields for the covered commodities on the farm, except that no payment shall be made with respect to those base acres under section 1116 or 1117 for the 2019 through 2023 crop years.

“(B) *INELIGIBILITY.*—The producers on a farm for which all of the base acres are maintained under subparagraph (A) shall be ineligible for the option to change the election applicable to the producers on the farm under section 1115(h).

“(4) *PROHIBITION ON RECONSTITUTION OF FARM.*—The Secretary shall ensure that producers on a farm do not reconstitute the farm to void or change the treatment of base acres under this section.”.

**SEC. 1103. PAYMENT YIELDS.**

(a) *TREATMENT OF DESIGNATED OILSEEDS.*—Section 1113(b) of the Agricultural Act of 2014 (7 U.S.C. 9013(b)) is amended—

(1) in paragraph (1), by striking “designated oilseeds” and inserting “oilseeds designated before the date of enactment of the Agriculture Improvement Act of 2018”;

(2) in paragraphs (2) and (3), by striking “a designated oilseed” each place it appears and inserting “an oilseed designated before the date of enactment of the Agriculture Improvement Act of 2018”; and

(3) by adding at the end the following:

“(4) *TREATMENT OF OILSEEDS DESIGNATED AFTER CERTAIN DATE.*—In the case of oilseeds designated on or after the date of enactment of the Agriculture Improvement Act of 2018, the payment yield shall be equal to 90 percent of the average of the yield per planted acre for the most recent 5 crop years, as determined by the Secretary, excluding any crop year in which the acreage planted to the covered commodity was zero.”.

(b) *SINGLE OPPORTUNITY TO UPDATE YIELDS.*—Section 1113 of the Agricultural Act of 2014 (7 U.S.C. 9013) is amended by striking subsection (d) and inserting the following:

“(d) *SINGLE OPPORTUNITY TO UPDATE YIELDS.*—

“(1) *ELECTION TO UPDATE.*—At the sole discretion of the owner of a farm, the owner of a farm shall have a 1-time opportunity to update, on a covered-commodity-by-covered-commodity basis, the payment yield that would otherwise be used in calculating any price loss coverage payment for each covered commodity on the farm for which the election is made.

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*“(2) METHOD OF UPDATING YIELDS FOR COVERED COMMODITIES.—If the owner of a farm elects to update yields under paragraph (1), the payment yield for a covered commodity on the farm, for the purpose of calculating price loss coverage payments only, shall be equal to the product obtained by multiplying—*

*“(A) 90 percent;*

*“(B) the average of the yield per planted acre for the crop of covered commodities on the farm for the 2013 through 2017 crop years, as determined by the Secretary, excluding any crop year in which the acreage planted to the covered commodity was zero; and*

*“(C) subject to paragraph (3), the ratio obtained by dividing—*

*“(i) the average of the 2008 through 2012 national average yield per planted acre for the covered commodity, as determined by the Secretary; by*

*“(ii) the average of the 2013 through 2017 national average yield per planted acre for the covered commodity, as determined by the Secretary.*

*“(3) LIMITATION.—In no case shall the ratio obtained under paragraph (2)(C) be less than 90 percent or greater than 100 percent.*

*“(4) USE OF COUNTY AVERAGE YIELD.—For the purposes of determining the average yield per planted acre under paragraph (2)(B), if the yield per planted acre for a crop of a covered commodity for a farm for any of the crop years described in that subparagraph was less than 75 percent of the average of county yields for those crop years for that commodity, the Secretary shall assign a yield for that crop year equal to 75 percent of the average of the 2013 through 2017 county yield for the covered commodity.*

*“(5) UPLAND COTTON CONVERSION.—In the case of seed cotton, for purposes of determining the average of the yield per planted acre under this subsection, the average yield for seed cotton per planted acre shall be equal to 2.4 times the average yield for upland cotton per planted acre.*

*“(6) TIME FOR ELECTION.—An election under this subsection shall be made at a time and manner so as to be in effect beginning with the 2020 crop year, as determined by the Secretary.”.*

**SEC. 1104. PAYMENT ACRES.**

*Section 1114 of the Agricultural Act of 2014 (7 U.S.C. 9014) is amended—*

*(1) in subsection (d)—*

*(A) in paragraph (1), by inserting “, unless the sum of the base acres on the farm, when combined with the base acres of other farms in which the producer has an interest, is more than 10 acres” before the period at the end; and*

*(B) in paragraph (2)—*

*(i) in subparagraph (A), by striking “or” at the end;*

*(ii) in subparagraph (B), by striking the period at the end and inserting a semicolon; and*

*(iii) by adding at the end the following:*



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“(C) a beginning farmer or rancher (as defined in subsection (a) of section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279)); or

“(D) a veteran farmer or rancher (as defined in subsection (a) of section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279)).”; and

(2) in subsection (e), by adding at the end the following:

“(5) *EFFECT OF REDUCTION.*—For each crop year for which fruits, vegetables (other than mung beans and pulse crops), or wild rice are planted to base acres on a farm for which a reduction in payment acres is made under this subsection, the Secretary shall consider such base acres to be planted, or prevented from being planted, to a covered commodity for purposes of any adjustment or reduction of base acres for the farm under section 1112.”.

**SEC. 1105. PRODUCER ELECTION.**

Section 1115 of the Agricultural Act of 2014 (7 U.S.C. 9015) is amended—

(1) in subsection (a), in the matter preceding paragraph (1), by striking “Except as provided in subsection (g), for the 2014 through 2018 crop years” and inserting “For the 2014 through 2018 crop years (except as provided in subsection (g)) and for the 2019 through 2023 crop years (subject to subsection (h))”;

(2) in subsection (b), in the matter preceding paragraph (1), by striking “subsection (a), the producers on a farm that elect under paragraph (2) of such subsection to obtain agriculture risk coverage under section 1117” and inserting “subsection (a) or (h), as applicable, the producers on a farm that elect to obtain agriculture risk coverage”;

(3) in subsection (c)—

(A) in the matter preceding paragraph (1), by inserting “or the 2019 crop year, as applicable” after “2014 crop year”;

(B) in paragraph (1), by inserting “or the 2019 crop year, as applicable,” after “2014 crop year”; and

(C) by striking paragraph (2) and inserting the following:

“(2) subject to subsection (h), the producers on the farm shall be deemed to have elected, as applicable—

“(A) price loss coverage for all covered commodities on the farm for the 2015 through 2018 crop years; and

“(B) the same coverage for each covered commodity on the farm for the 2020 through 2023 crop years as was applicable for the 2015 through 2018 crop years.”;

(4) in subsection (g)(1), by inserting “for the 2018 crop year,” before “all of the producers”; and

(5) by adding at the end the following:

“(h) *OPTION TO CHANGE ELECTION.*—

“(1) *IN GENERAL.*—For the 2021 crop year and each crop year thereafter, all of the producers on a farm may change the election under subsection (a), subsection (c), or this subsection, as applicable, to price loss coverage or agriculture risk coverage, as applicable.

“(2) *APPLICABILITY.*—An election change under paragraph (1) shall apply to—

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*“(A) the crop year for which the election change is made; and*

*“(B) each crop year thereafter until another election change is made under that paragraph.”.*

**SEC. 1106. PRICE LOSS COVERAGE.**

*Section 1116 of the Agricultural Act of 2014 (7 U.S.C. 9016) is amended—*

*(1) in subsection (a)—*

*(A) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and indenting appropriately;*

*(B) in the matter preceding subparagraph (A) (as so redesignated)—*

*(i) by inserting “or (h)” after “subsection (a)”; and*

*(ii) by striking “determines that, for any of the 2014 through 2018 crop years—” and inserting “determines that—*

*“(1) for any of the 2014 through 2018 crop years—”;*

*(C) in paragraph (1)(B) (as so redesignated), by striking the period at the end and inserting “; or”; and*

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

*“(2) for any of the 2019 through 2023 crop years—*

*“(A) the effective price for the covered commodity for the crop year; is less than*

*“(B) the effective reference price for the covered commodity for the crop year.”;*

*(2) in subsection (c)—*

*(A) by redesignating paragraphs (1) and (2) as clauses (i) and (ii), respectively, and indenting appropriately;*

*(B) in the matter preceding clause (i) (as so redesignated), by striking “The payment rate” and inserting the following:*

*“(1) IN GENERAL.—*

*“(A) 2014 THROUGH 2018 CROP YEARS.—For the 2014 through 2018 crop years, the payment rate”;*

*(C) in paragraph (1) (as so designated), by adding at the end the following:*

*“(B) 2019 THROUGH 2023 CROP YEARS.—For the 2019 through 2023 crop years, the payment rate shall be equal to the difference between—*

*“(i) the effective reference price for the covered commodity; and*

*“(ii) the effective price determined under subsection (b) for the covered commodity.”; and*

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

*“(2) ANNOUNCEMENT.—Not later than 30 days after the end of each applicable 12-month marketing year for each covered commodity, the Secretary shall publish the payment rate determined under paragraph (1).*

*“(3) INSUFFICIENT DATA.—In the case of a covered commodity, such as temperate japonica rice, for which the Secretary cannot determine the payment rate for the most recent 12-month marketing year by the date described in paragraph (2) due to insufficient reporting of timely pricing data by 1 or more nongovernmental entities, including a marketing cooperative for*

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*the covered commodity, the Secretary shall publish the payment rate as soon as practicable after the marketing year data are made available.”; and*

*(3) by striking subsection (g) and inserting the following:  
“(g) REFERENCE PRICE FOR TEMPERATE JAPONICA RICE.—In order to reflect price premiums, the Secretary shall provide a reference price with respect to temperate japonica rice in an amount equal to the amount established under subparagraph (F) of section 1111(19), as adjusted by paragraph (8) of such section, multiplied by the ratio obtained by dividing—*

*“(1) the simple average of the marketing year average price of medium grain rice from the 2012 through 2016 crop years; by*

*“(2) the simple average of the marketing year average price of all rice from the 2012 through 2016 crop years.”.*

**SEC. 1107. AGRICULTURE RISK COVERAGE.**

*Section 1117 of the Agricultural Act of 2014 (7 U.S.C. 9017) is amended—*

*(1) in subsection (a), in the matter preceding paragraph (1)—*

*(A) by inserting “(beginning with the 2019 crop year, based on the physical location of the farm)” after “payments”; and*

*(B) by inserting “or the 2019 through 2023 crop years, as applicable” after “2014 through 2018 crop years”;*

*(2) in subsection (c)—*

*(A) in paragraph (2)—*

*(i) in subparagraph (A), by striking “paragraph (4)” and inserting “paragraphs (4) and (5)”;* and

*(ii) in subparagraph (B), by striking “(5)” and inserting “(6)”;*

*(B) in paragraph (3)—*

*(i) in subparagraph (A)(ii), by striking “(5)” and inserting “(6)”;* and

*(ii) in subparagraph (C), by striking “2018” and inserting “2023”;*

*(C) in paragraph (4)—*

*(i) by striking “If” and inserting the following:*

*“(A) 2014 THROUGH 2018 CROP YEARS.—Effective for the 2014 through 2018 crop years, if”;* and

*(ii) by adding at the end the following:*

*“(B) 2019 THROUGH 2023 CROP YEARS.—Effective for the 2019 through 2023 crop years, if the yield per planted acre for the covered commodity or historical county yield per planted acre for the covered commodity for any of the 5 most recent crop years, as determined by the Secretary, is less than 80 percent of the transitional yield, as determined by the Secretary, the amounts used for any of those years in paragraph (2)(A) or (3)(A)(i) shall be 80 percent of the transitional yield.”;*

*(D) by redesignating paragraph (5) as paragraph (6);*

*(E) by inserting after paragraph (4) the following:*

*“(5) TREND-ADJUSTED YIELD.—The Secretary shall calculate and use a trend-adjusted yield factor to adjust the yield determined under paragraph (2)(A) and subsection (b)(1)(A), taking*

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into consideration, but not exceeding, the trend-adjusted yield factor that is used to increase yield history under the endorsement under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) for that crop and county.”; and

(F) in paragraph (6) (as so redesignated)—

(i) by striking “REFERENCE PRICE.—If the national average market price” and inserting the following: “LOW NATIONAL AVERAGE MARKET PRICE.—

“(A) REFERENCE PRICE.—For the 2014 through 2018 crop years, if the national average market price”; and

(ii) by adding at the end the following:

“(B) EFFECTIVE REFERENCE PRICE.—For the 2019 through 2023 crop years, if the national average market price received by producers during the 12-month marketing year for any of the 5 most recent crop years is lower than the effective reference price for the covered commodity, the Secretary shall use the effective reference price for any of those years for the amounts in paragraph (2)(B) or (3)(A)(ii).”;

(3) in subsection (d)—

(A) in paragraph (1), by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and indenting appropriately;

(B) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and indenting appropriately;

(C) in the matter preceding subparagraph (A) (as so redesignated), by striking “The payment” and inserting the following:

“(1) IN GENERAL.—The payment”; and

(D) by adding at the end the following:

“(2) ANNOUNCEMENT.—Not later than 30 days after the end of each applicable 12-month marketing year for each covered commodity, the Secretary shall publish the payment rate determined under paragraph (1) for each county.”;

(4) in subsection (e), in the matter preceding paragraph (1), by striking “2018” and inserting “2023”;

(5) in subsection (g)—

(A) in paragraph (2), by striking “to the maximum extent practicable,”;

(B) in paragraph (3), by striking “and” after the semicolon at the end;

(C) in paragraph (4)—

(i) in the matter preceding subparagraph (A), by inserting “effective for the 2014 through 2018 crop years,” before “in the case of”; and

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

(D) by adding at the end the following:

“(5) effective for the 2019 through 2023 crop years, in the case of county coverage, assign an actual or benchmark county yield for each planted acre for the crop year for the covered commodity—

“(A) for a county for which county data collected by the Risk Management Agency are sufficient for the Secretary to

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*offer a county-wide insurance product, using the actual average county yield determined by the Risk Management Agency; or*

*“(B) for a county not described in subparagraph (A), using—*

*“(i) other sources of yield information, as determined by the Secretary; or*

*“(ii) the yield history of representative farms in the State, region, or crop reporting district, as determined by the Secretary.”; and*

*(6) by adding at the end the following:*

*“(h) PUBLICATIONS.—*

*“(1) COUNTY GUARANTEE.—*

*“(A) IN GENERAL.—For each crop year for a covered commodity, the Secretary shall publish information describing, for that crop year for the covered commodity in each county—*

*“(i) the agriculture risk coverage guarantee for county coverage determined under subsection (c)(1);*

*“(ii) the average historical county yield determined under subsection (c)(2)(A); and*

*“(iii) the national average market price determined under subsection (c)(2)(B).*

*“(B) TIMING.—*

*“(i) IN GENERAL.—Except as provided in clauses (ii) and (iii), not later than 30 days after the end of each applicable 12-month marketing year, the Secretary shall publish the information described in subparagraph (A).*

*“(ii) INSUFFICIENT DATA.—In the case of a covered commodity, such as temperate japonica rice, for which the Secretary cannot determine the national average market price for the most recent 12-month marketing year by the date described in clause (i) due to insufficient reporting of timely pricing data by 1 or more non-governmental entities, including a marketing cooperative for the covered commodity, as soon as practicable after the pricing data are made available, the Secretary shall publish information describing—*

*“(I) the agriculture risk coverage guarantee under subparagraph (A)(i); and*

*“(II) the national average market price under subparagraph (A)(iii).*

*“(iii) TRANSITION.—Not later than 60 days after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary shall publish the information described in clauses (i) and (ii) of subparagraph (A) for the 2018 crop year.*

*“(2) ACTUAL AVERAGE COUNTY YIELD.—As soon as practicable after each crop year, the Secretary shall determine and publish each actual average county yield for each covered commodity, as determined under subsection (b)(1)(A).*

*“(3) DATA SOURCES FOR COUNTY YIELDS.—For the 2018 crop year and each crop year thereafter, the Secretary shall make*



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publicly available information describing, for the most recent crop year—

“(A) the sources of data used to calculate county yields under subsection (c)(2)(A) for each covered commodity—

“(i) by county; and

“(ii) nationally; and

“(B) the number and outcome of occurrences in which the Farm Service Agency reviewed, changed, or determined not to change a source of data used to calculate county yields under subsection (c)(2)(A).

“(i) ADMINISTRATIVE UNITS.—

“(1) IN GENERAL.—For purposes of agriculture risk coverage payments in the case of county coverage, a county may be divided into not greater than 2 administrative units in accordance with this subsection.

“(2) ELIGIBLE COUNTIES.—A county that may be divided into administrative units under this subsection is a county that—

“(A) is larger than 1,400 square miles; and

“(B) contains more than 190,000 base acres.

“(3) ELECTIONS.—Before making any agriculture risk coverage payments for the 2019 crop year, the Farm Service Agency State committee, in consultation with the Farm Service Agency county or area committee of a county described in paragraph (2), may make a 1-time election to divide the county into administrative units under this subsection along a boundary that better reflects differences in weather patterns, soil types, or other factors.

“(4) LIMITATION.—The Secretary shall—

“(A) limit the number of counties that may be divided into administrative units under paragraph (3) to 25 counties; and

“(B) give preference to the division of counties that have greater variation in climate, soils, and expected productivity between the proposed administrative units.

“(5) ADMINISTRATION.—For purposes of providing agriculture risk coverage payments in the case of county coverage, the Secretary shall consider an administrative unit elected under paragraph (3) to be a county for the 2019 through 2023 crop years.”.

**SEC. 1108. REPEAL OF TRANSITION ASSISTANCE FOR PRODUCERS OF UPLAND COTTON.**

Section 1119 of the Agricultural Act of 2014 (7 U.S.C. 9019) is repealed.

## **Subtitle B—Marketing Loans**

**SEC. 1201. EXTENSIONS.**

(a) IN GENERAL.—Section 1201(b)(1) of the Agricultural Act of 2014 (7 U.S.C. 9031(b)(1)) is amended by striking “2018” and inserting “2023”.

(b) REPAYMENT.—Section 1204 of the Agricultural Act of 2014 (7 U.S.C. 9034) is amended—



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(1) in subsection (e)(2)(B), in the matter preceding clause (i), by striking “2019” and inserting “2024”; and  
 (2) in subsection (g), by striking “2018” and inserting “2023”.

(c) **LOAN DEFICIENCY PAYMENTS.**—

(1) **EXTENSION.**—Section 1205(a)(2)(B) of the Agricultural Act of 2014 (7 U.S.C. 9035(a)(2)(B)) is amended by striking “2018” and inserting “2023”.

(2) **PAYMENTS IN LIEU OF LDPS.**—Section 1206 of the Agricultural Act of 2014 (7 U.S.C. 9036) is amended in subsections (a) and (d) by striking “2018” each place it appears and inserting “2023”.

**SEC. 1202. LOAN RATES FOR NONRECOURSE MARKETING ASSISTANCE LOANS.**

(a) **IN GENERAL.**—Section 1202 of the Agricultural Act of 2014 (7 U.S.C. 9032) is amended—

(1) in subsection (a), by striking the subsection heading and inserting “**2014 THROUGH 2018 CROP YEARS**”;

(2) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively;

(3) by inserting after subsection (a) the following:

“(b) **2019 THROUGH 2023 CROP YEARS.**—For purposes of each of the 2019 through 2023 crop years, the loan rate for a marketing assistance loan under section 1201 for a loan commodity shall be equal to the following:

“(1) In the case of wheat, \$3.38 per bushel.

“(2) In the case of corn, \$2.20 per bushel.

“(3) In the case of grain sorghum, \$2.20 per bushel.

“(4) In the case of barley, \$2.50 per bushel.

“(5) In the case of oats, \$2.00 per bushel.

“(6)(A) Subject to subparagraphs (B) and (C), in the case of base quality of upland cotton, the simple average of the adjusted prevailing world price for the 2 immediately preceding marketing years, as determined by the Secretary and announced October 1 preceding the next domestic planting.

“(B) Except as provided in subparagraph (C), the loan rate determined under subparagraph (A) may not equal less than an amount equal to 98 percent of the loan rate for base quality of upland cotton for the preceding year.

“(C) The loan rate determined under subparagraph (A) may not be equal to an amount—

“(i) less than \$0.45 per pound; or

“(ii) more than \$0.52 per pound.

“(7) In the case of extra long staple cotton, \$0.95 per pound.

“(8) In the case of long grain rice, \$7.00 per hundredweight.

“(9) In the case of medium grain rice, \$7.00 per hundredweight.

“(10) In the case of soybeans, \$6.20 per bushel.

“(11) In the case of other oilseeds, \$10.09 per hundredweight for each of the following kinds of oilseeds:

“(A) Sunflower seed.

“(B) Rapeseed.

“(C) Canola.

“(D) Safflower.

“(E) Flaxseed.

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*“(F) Mustard seed.**“(G) Crambe.**“(H) Sesame seed.**“(I) Other oilseeds designated by the Secretary.**“(12) In the case of dry peas, \$6.15 per hundredweight.**“(13) In the case of lentils, \$13.00 per hundredweight.**“(14) In the case of small chickpeas, \$10.00 per hundredweight.**“(15) In the case of large chickpeas, \$14.00 per hundredweight.**“(16) In the case of graded wool, \$1.15 per pound.**“(17) In the case of nongraded wool, \$0.40 per pound.**“(18) In the case of mohair, \$4.20 per pound.**“(19) In the case of honey, \$0.69 per pound.**“(20) In the case of peanuts, \$355 per ton.”; and**(4) in subsection (c) (as so redesignated), by striking “subsection (a)(11)” and inserting “subsections (a)(11) and (b)(11)”.**(b) CONFORMING AMENDMENT.—Section 1204(h)(1) of the Agricultural Act of 2014 (7 U.S.C. 9034(h)(1)) is amended by striking “section 1202(a)(20)” and inserting “subsection (a)(20) or (b)(20), as applicable, of section 1202”.***SEC. 1203. ECONOMIC ADJUSTMENT ASSISTANCE FOR TEXTILE MILLS.***(a) 2008 AUTHORITY.—Section 1207 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8737) is amended by striking subsection (c).**(b) 2014 AUTHORITY.—Section 1207(c) of the Agricultural Act of 2014 (7 U.S.C. 9037(c)) is amended by striking the subsection heading and inserting “ECONOMIC ADJUSTMENT ASSISTANCE FOR TEXTILE MILLS”.***SEC. 1204. SPECIAL COMPETITIVE PROVISIONS FOR EXTRA LONG STAPLE COTTON.***(a) IN GENERAL.—Section 1208(a) of the Agricultural Act of 2014 (7 U.S.C. 9038(a)) is amended in the matter preceding paragraph (1) by striking “2019” and inserting “2024”.**(b) PAYMENTS UNDER PROGRAM; TRIGGER.—Section 1208(b)(2) of the Agricultural Act of 2014 (7 U.S.C. 9038(b)(2)) is amended by striking “134 percent” and inserting “113 percent”.***SEC. 1205. AVAILABILITY OF RECOURSE LOANS.***(a) IN GENERAL.—Section 1209 of the Agricultural Act of 2014 (7 U.S.C. 9039) is amended in subsections (a)(2) and (b) by striking “2018” each place it appears and inserting “2023”.**(b) RECOURSE LOANS AVAILABLE FOR CONTAMINATED COMMODITIES.—Section 1209 of the Agricultural Act of 2014 (7 U.S.C. 9039) is amended—**(1) by redesignating subsection (c) as subsection (d); and**(2) by inserting after subsection (b) the following:**“(c) RECOURSE LOANS AVAILABLE FOR CONTAMINATED COMMODITIES.—In the case of a loan commodity that is ineligible for 100 percent of the nonrecourse marketing loan rate in the county due to a determination that the commodity is contaminated yet still merchantable, for each of the 2019 through 2023 crops of such loan commodity, the Secretary shall make available recourse commodity loans, at the rate provided under section 1202, on any production.”.*

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## **Subtitle C—Sugar**

### **SEC. 1301. SUGAR POLICY.**

#### **(a) SUGAR PROGRAM.—**

(1) *SUGARCANE.*—Section 156(a) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272(a)) is amended—

(A) in paragraph (3), by striking “and” at the end;

(B) in paragraph (4), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(5) 19.75 cents per pound for raw cane sugar for each of the 2019 through 2023 crop years.”

(2) *SUGAR BEETS.*—Section 156(b)(2) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272(b)(2)) is amended by striking “2018” and inserting “2023”.

(3) *EFFECTIVE PERIOD.*—Section 156(i) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272(i)) is amended by striking “2018” and inserting “2023”.

#### **(b) FLEXIBLE MARKETING ALLOTMENTS FOR SUGAR.—**

(1) *SUGAR ESTIMATES.*—Section 359b(a)(1) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359bb(a)(1)) is amended by striking “2018” and inserting “2023”.

(2) *EFFECTIVE PERIOD.*—Section 359l(a) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359ll(a)) is amended by striking “2018” and inserting “2023”.

## **Subtitle D—Dairy Margin Coverage and Other Dairy Related Provisions**

### **SEC. 1401. DAIRY MARGIN COVERAGE.**

(a) *REVIEW OF DATA USED IN CALCULATION OF AVERAGE FEED COST.*—Not later than 60 days after the date of the enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report evaluating the extent to which the average cost of feed used by a dairy operation to produce a hundredweight of milk calculated by the Secretary as required by section 1402(a) of the Agricultural Act of 2014 (7 U.S.C. 9052(a)) is representative of actual dairy feed costs.

(b) *CORN SILAGE REPORT.*—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report detailing the costs incurred by dairy operations in the use of corn silage as feed, and the difference between the feed cost of corn silage and the feed cost of corn.

(c) *COLLECTION OF ALFALFA HAY DATA.*—Not later than 120 days after the date of the enactment of this Act, the Secretary, acting through the National Agricultural Statistics Service, shall revise monthly price survey reports to include prices for high-quality alfalfa hay in the top five milk producing States, as measured by volume of milk produced during the previous month.

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(d) *REGISTRATION OF MULTIPRODUCER DAIRY OPERATIONS.*—Section 1404(b) of the Agricultural Act of 2014 (7 U.S.C. 9054(b)) is amended—

(1) by redesignating paragraph (4) as paragraph (5); and  
 (2) by striking paragraph (3) and inserting the following:  
 “(3) *ELECTION PERIOD FOR 2019 CALENDAR YEAR.*—For the 2019 calendar year, the Secretary shall—

“(A) open the election period not later than 60 days after the effective date described in section 1401(m) of the Agriculture Improvement Act of 2018; and

“(B) hold that election period open for not less than 90 days.

“(4) *TREATMENT OF MULTIPRODUCER DAIRY OPERATION.*—

“(A) *IN GENERAL.*—If a participating dairy operation is operated by more than 1 dairy producer, the dairy producers of the dairy operation who elect to participate shall be treated as a single dairy operation for purposes of participating in dairy margin coverage.

“(B) *RULE OF CONSTRUCTION.*—Subparagraph (A) shall not be construed to allow a producer to adjust the proportion of their share covered under tier I or tier II premiums from the proportion covered for the operation.”.

(e) *RELATION TO LIVESTOCK GROSS MARGIN FOR DAIRY PROGRAM.*—

(1) *IN GENERAL.*—Section 1404 of the Agricultural Act of 2014 (7 U.S.C. 9054) is amended by striking subsection (d).

(2) *RETROACTIVE PROGRAM OPTION.*—Section 1404(b)(2) of the Agricultural Act of 2014 (7 U.S.C. 9054(b)(2)) is amended—

(A) by striking “The Secretary” and inserting the following:

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

(B) by adding at the end the following:

“(B) *RETROACTIVE PROGRAM OPTION.*—In the case of a dairy operation that, by operation of subsection (d) (as in effect on the day before the date of enactment of the Agriculture Improvement Act of 2018), was ineligible to participate in the margin protection program for any part of calendar year 2018, the Secretary shall establish a new election period for that calendar year that ends on a date that is not less than 90 days after the date of enactment of the Agriculture Improvement Act of 2018 and the Secretary determines is necessary for dairy operations to make new elections to participate in the margin protection program (as in effect on the day before the date of enactment of the Agriculture Improvement Act of 2018) for that calendar year, including dairy operations that elected to participate in the livestock gross margin for dairy program under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) before the date of enactment of the Bipartisan Budget Act of 2018 (Public Law 115–123).”.

(f) *PRODUCTION HISTORY OF PARTICIPATING DAIRY OPERATORS.*—

(1) *ADJUSTMENT.*—Section 1405 of the Agricultural Act of 2014 (7 U.S.C. 9055) is amended—

(A) in subsection (a)—

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(i) in paragraph (2), by striking “In subsequent years” and inserting “In the subsequent calendar years ending before January 1, 2019”; and

(ii) in paragraph (3), by inserting “, as applicable” after “paragraph (2)”; and

(B) in subsection (b)—

(i) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and indenting appropriately;

(ii) in the matter preceding subparagraph (A) (as so redesignated), by striking “In the case” and inserting the following:

“(1) DAIRY OPERATIONS WITH LESS THAN 1 YEAR OF PRODUCTION HISTORY.—In the case”; and

(iii) by adding at the end the following:

“(2) DAIRY OPERATIONS WITH 1 YEAR OR MORE OF PRODUCTION HISTORY.—In the case of a participating dairy operation that was not in operation prior to January 1, 2014, that has not established a production history, and that has been in operation for equal to or longer than 1 year, the participating dairy operation shall elect the annual milk marketings during any 1 calendar year to determine the production history of the participating dairy operation.

“(3) ADJUSTMENT.—The Secretary shall adjust the production history of a participating dairy operation determined under paragraph (1) or (2) to reflect any increase or decrease in the national average milk production relative to calendar year 2017.”

(2) LIMITATION ON CHANGES TO BUSINESS STRUCTURE.—Section 1405 of the Agricultural Act of 2014 (7 U.S.C. 9055) is amended by adding at the end the following new subsection:

“(d) LIMITATION ON CHANGES TO BUSINESS STRUCTURE.—The Secretary may not make dairy margin coverage payments to a participating dairy operation if the Secretary determines that the participating dairy operation has reorganized the structure of such operation solely for the purpose of qualifying as a new operation under subsection (b).”

(g) COVERAGE LEVEL THRESHOLD AND COVERAGE PERCENTAGE.—Section 1406 of the Agricultural Act of 2014 (7 U.S.C. 9056) is amended by striking subsection (a) and inserting the following:

“(a) COVERAGE LEVEL THRESHOLD AND COVERAGE PERCENTAGE.—

“(1) COVERAGE LEVEL THRESHOLD.—

“(A) IN GENERAL.—For purposes of receiving dairy margin coverage payments for a month, a participating dairy operation shall annually elect a coverage level threshold that is equal to \$4.00, \$4.50, \$5.00, \$5.50, \$6.00, \$6.50, \$7.00, \$7.50, \$8.00, \$8.50, \$9.00, or \$9.50.

“(B) APPLICABILITY.—Except as provided in subparagraph (C), the coverage level threshold elected under subparagraph (A) shall apply to the covered production elected by the participating dairy operation under paragraph (2).

“(C) SECOND COVERAGE ELECTION FOR TIER II.—In the case of a participating dairy operation that elects a cov-



erage level threshold of \$8.50, \$9.00, or \$9.50 under subparagraph (A)—

“(i) that coverage level threshold shall apply to the first 5,000,000 pounds of milk marketings included in the covered production elected by the participating dairy operation; and

“(ii) the participating dairy operation shall elect a coverage level threshold that is equal to \$4.00, \$4.50, \$5.00, \$5.50, \$6.00, \$6.50, \$7.00, \$7.50, or \$8.00 to apply to milk marketings in excess of 5,000,000 pounds included in the covered production elected by the participating dairy operation.

“(2) *COVERAGE PERCENTAGE.*—For purposes of receiving dairy margin coverage payments for a month, a participating dairy operation shall annually elect a percentage of coverage, in 5-percent increments, not exceeding 95 percent of the production history of the participating dairy operation.”.

(h) *PRODUCER PREMIUMS.*—Section 1407 of the Agricultural Act of 2014 (7 U.S.C. 9057) is amended—

(1) in subsection (b), by striking paragraphs (2) and (3) and inserting the following:

“(2) *PRODUCER PREMIUMS.*—Except as provided in subsection (g), the following annual premiums apply:

“Coverage Level	Premium per Cwt.
\$4.00	None
\$4.50	\$0.0025
\$5.00	\$0.005
\$5.50	\$0.030
\$6.00	\$0.050
\$6.50	\$0.070
\$7.00	\$0.080
\$7.50	\$0.090
\$8.00	\$0.100
\$8.50	\$0.105
\$9.00	\$0.110
\$9.50	\$0.150”; and

(2) in subsection (c), by striking paragraph (2) and inserting the following:

“(2) *PRODUCER PREMIUMS.*—Except as provided in subsection (g), the following annual premiums apply:

“Coverage Level	Premium per Cwt.
\$4.00	None
\$4.50	\$0.0025
\$5.00	\$0.005



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<i>“Coverage Level</i>	<i>Premium per Cwt.</i>
\$5.50	\$0.100
\$6.00	\$0.310
\$6.50	\$0.650
\$7.00	\$1.107
\$7.50	\$1.413
\$8.00	\$1.813”.

(i) *REPAYMENT OF PREMIUMS.*—Section 1407 of the Agricultural Act of 2014 (7 U.S.C. 9057) is amended by adding at the end the following:

“(f) *REPAYMENT OF PREMIUMS.*—

“(1) *IN GENERAL.*—Each dairy operation described in paragraph (2) shall be eligible to receive a repayment from the Secretary in an amount equal to the difference between—

“(A) the total amount of premiums paid by the participating dairy operation under this section for each applicable calendar year; and

“(B) the total amount of payments made to the participating dairy operation under section 1406 for that calendar year.

“(2) *ELIGIBILITY.*—A dairy operation that is eligible to receive a repayment under paragraph (1) is a dairy operation that—

“(A) participated in the margin protection program, as in effect for any of calendar years 2014 through 2017; and

“(B) submits to the Secretary an application for the repayment at such time, in such manner, and containing such information as the Secretary may require.

“(3) *METHOD OF REPAYMENT.*—A dairy operation that is eligible to receive a repayment under paragraph (1) shall elect to receive the repayment—

“(A) in an amount equal to 75 percent of the repayment calculated under that paragraph as credit that may be used by the dairy operation for dairy margin coverage premiums; or

“(B) in an amount equal to 50 percent of the repayment calculated under that paragraph as a direct cash repayment.

“(4) *APPLICABILITY.*—Paragraph (1) shall only apply to a calendar year during the period of calendar years 2014 through 2017 for which the amount described in subparagraph (A) of that paragraph is greater than the amount described in subparagraph (B) of that paragraph.”.

(j) *PREMIUM DISCOUNT.*—Section 1407 of the Agricultural Act of 2014 (7 U.S.C. 9057) (as amended by subsection (i)) is amended by adding at the end the following:

“(g) *PREMIUM DISCOUNT.*—The premium per hundredweight specified in the tables contained in subsections (b) and (c) for each coverage level shall be reduced by 25 percent in accordance with the following:

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“(1) *IN GENERAL.*—For each of calendar years 2019 through 2023, for a participating dairy operation that makes a 1-time election of coverage level in a tier and of a percentage of coverage under section 1406(a) for the 5-year period beginning in January 2019.

“(2) *NEW DAIRY OPERATIONS.*—For each applicable calendar year through 2023, for a participating dairy operation that—

“(A) establishes a production history pursuant to section 1405(b); and

“(B) makes a 1-time election of coverage level in a tier and of a percentage of coverage under section 1406(a) for the period beginning with the first available calendar year and ending in December 2023.

“(3) *FULL PARTICIPATION REQUIRED.*—Notwithstanding the annual elections under section 1406(a)—

“(A) a 1-time enrollment under this subsection shall remain in effect for the full duration applicable to a participating dairy operation in accordance with paragraph (1) or (2)(B), as applicable; and

“(B) a participating dairy operation that makes a 1-time enrollment under this subsection and is noncompliant under section 1408 shall be subject to that section.”

(k) *CONFORMING AMENDMENTS RELATED TO PROGRAM NAME.*—

(1) *HEADING.*—The heading of part I of subtitle D of title I of the Agricultural Act of 2014 (Public Law 113–79; 128 Stat. 688) is amended to read as follows:

**“PART I—DAIRY MARGIN COVERAGE”.**

(2) *DEFINITIONS.*—Section 1401 of the Agricultural Act of 2014 (7 U.S.C. 9051) is amended—

(A) by striking paragraphs (5) and (6) and inserting the following new paragraphs:

“(5) *DAIRY MARGIN COVERAGE.*—The term ‘dairy margin coverage’ means the dairy margin coverage program required by section 1403.

“(6) *DAIRY MARGIN COVERAGE PAYMENT.*—The term ‘dairy margin coverage payment’ means a payment made to a participating dairy operation under dairy margin coverage pursuant to section 1406.”; and

(B) in paragraphs (7) and (8), by striking “the margin protection program” both places it appears and inserting “dairy margin coverage”.

(3) *CALCULATION OF ACTUAL DAIRY PRODUCTION MARGIN.*—Section 1402(b)(1) of the Agricultural Act of 2014 (7 U.S.C. 9052(b)(1)) is amended in the matter preceding subparagraph (A) by striking “the margin protection program” and inserting “dairy margin coverage”.

(4) *PROGRAM OPERATION.*—Section 1403 of the Agricultural Act of 2014 (7 U.S.C. 9053) is amended—

(A) by striking the section heading and inserting “**DAIRY MARGIN COVERAGE**”;

(B) by striking “Not later than September 1, 2014, the Secretary shall establish and administer a margin protection program” and inserting the following:

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“(a) *IN GENERAL.*—*The Secretary shall continue to administer a dairy margin coverage program*”;

(C) *in subsection (a) (as so designated), by striking “margin protection payment” both places it appears and inserting “dairy margin coverage payment”*; and

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

“(b) *REGULATIONS.*—*Subpart A of part 1430 of title 7, Code of Federal Regulations (as in effect on the date of enactment of the Agriculture Improvement Act of 2018), shall remain in effect for dairy margin coverage beginning with the 2019 calendar year, except to the extent that the regulations are inconsistent with any provision of this Act.*”

(5) *PARTICIPATION.*—*Section 1404 of the Agricultural Act of 2014 (7 U.S.C. 9054) is amended—*

(A) *in the section heading, by striking “MARGIN PROTECTION PROGRAM” and inserting “DAIRY MARGIN COVERAGE”*;

(B) *in subsection (a), by striking “the margin protection program to receive margin protection payments” and inserting “dairy margin coverage to receive dairy margin coverage payments”*; and

(C) *in subsections (b) and (c), by striking “the margin protection program” each place it appears and inserting “dairy margin coverage”*.

(6) *PRODUCTION HISTORY.*—*Section 1405 of the Agricultural Act of 2014 (7 U.S.C. 9055) is amended in subsections (a)(1) and (c) by striking “the margin protection program” each place it appears and inserting “dairy margin coverage”*.

(7) *PAYMENTS.*—*Section 1406 of the Agricultural Act of 2014 (7 U.S.C. 9056) is amended—*

(A) *in the section heading, by striking “MARGIN PROTECTION” and inserting “DAIRY MARGIN COVERAGE”*;

(B) *by striking “margin protection” each place it appears and inserting “dairy margin coverage”*; and

(C) *in the heading of subsection (c), by striking “MARGIN PROTECTION”*.

(8) *PREMIUMS.*—*Section 1407 of the Agricultural Act of 2014 (7 U.S.C. 9057) is amended—*

(A) *in the section heading, by striking “MARGIN PROTECTION PROGRAM” and inserting “DAIRY MARGIN COVERAGE”*;

(B) *in subsection (a), in the matter preceding paragraph (1), by striking “the margin protection program” and inserting “dairy margin coverage”*;

(C) *in subsection (d), by striking “program” and inserting “dairy margin coverage”*; and

(D) *in subsection (e)—*

(i) *by striking “the margin protection program” both places it appears and inserting “dairy margin coverage”*; and

(ii) *in paragraph (2), by striking “integrity of the program” and inserting “integrity of dairy margin coverage”*.

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(9) *FAILURE TO PAY ADMINISTRATIVE FEES OR PREMIUMS.*—Section 1408 of the Agricultural Act of 2014 (7 U.S.C. 9058) is amended—

(A) in subsection (a)(2), by striking “margin protection” and inserting “dairy margin coverage”; and

(B) in subsection (b), by striking “the margin protection program” and inserting “dairy margin coverage”.

(10) *ADMINISTRATION AND ENFORCEMENT.*—Section 1410 of the Agricultural Act of 2014 (7 U.S.C. 9060) is amended—

(A) in subsections (a) and (c), by striking “the margin protection program” each place it appears and inserting “dairy margin coverage”; and

(B) in subsection (b), by striking “margin protection” and inserting “dairy margin coverage”.

(l) *DURATION.*—Section 1409 of the Agricultural Act of 2014 (7 U.S.C. 9059) is amended—

(1) by striking “The margin protection program” and inserting “Dairy margin coverage”; and

(2) by striking “2018” and inserting “2023”.

(m) *EFFECTIVE DATE.*—The amendments made by this section shall take effect on January 1, 2019.

**SEC. 1402. REAUTHORIZATIONS.**

(a) *FORWARD PRICING.*—Section 1502(e) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8772(e)) is amended—

(1) in paragraph (1), by striking “2018” and inserting “2023”; and

(2) in paragraph (2), by striking “2021” and inserting “2026”.

(b) *INDEMNITY PROGRAM.*—Section 3 of Public Law 90–484 (7 U.S.C. 4553) is amended by striking “2018” and inserting “2023”.

(c) *PROMOTION AND RESEARCH.*—Section 113(e)(2) of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4504(e)(2)) is amended by striking “2018” and inserting “2023”.

**SEC. 1403. CLASS I SKIM MILK PRICE.**

(a) *CLASS I SKIM MILK PRICE.*—Section 8c(5)(A) of the Agricultural Adjustment Act (7 U.S.C. 608c(5)(A)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by striking “Throughout” in the third sentence and all that follows through the period at the end of the fourth sentence and inserting “Throughout the 2-year period beginning on the effective date of this sentence (and subsequent to such 2-year period unless modified by amendment to the order involved), for purposes of determining prices for milk of the highest use classification, the Class I skim milk price per hundredweight specified in section 1000.50(b) of title 7, Code of Federal Regulations (or successor regulations), shall be the sum of the adjusted Class I differential specified in section 1000.52 of such title 7 (or successor regulations), plus the adjustment to Class I prices specified in sections 1005.51(b), 1006.51(b), and 1007.51(b) of such title 7 (or successor regulations), plus the simple average of the advanced pricing factors computed in sections 1000.50(q)(1) and 1000.50(q)(2) of such title 7 (or successor regulations), plus \$0.74.”.

(b) *EFFECTIVE DATE AND IMPLEMENTATION.*—

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(1) *EFFECTIVE DATE.*—The amendment made by subsection (a) shall take effect on the first day of the first month beginning more than 120 days after the date of enactment of this Act.

(2) *IMPLEMENTATION.*—Implementation of the amendment made by subsection (a) shall not be subject to any of the following:

(A) The notice and comment provisions of section 553 of title 5, United States Code.

(B) The notice and hearing requirements of section 8c(3) of the Agricultural Adjustment Act (7 U.S.C. 608c(3)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937.

(C) The order amendment requirements of section 8c(17) of that Act (7 U.S.C. 608c(17)).

(D) A referendum under section 8c(19) of that Act (7 U.S.C. 608c(19)).

**SEC. 1404. DAIRY PRODUCT DONATION.**

(a) *REPEAL OF DAIRY PRODUCT DONATION PROGRAM.*—Section 1431 of the Agricultural Act of 2014 (7 U.S.C. 9071) is repealed.

(b) *MILK DONATION PROGRAM.*—

(1) *IN GENERAL.*—Part III of subtitle D of title I of the Agricultural Act of 2014 (Public Law 113–79; 128 Stat. 695) is amended to read as follows:

**“PART III—MILK DONATION PROGRAM**

**“SEC. 1431. MILK DONATION PROGRAM.**

“(a) *DEFINITIONS.*—In this section:

“(1) *ELIGIBLE DAIRY ORGANIZATION.*—The term ‘eligible dairy organization’ means a dairy farmer (either individually or as part of a cooperative), or a dairy processor, who—

“(A) accounts to a Federal milk marketing order marketwide pool; and

“(B) incurs qualified expenses under subsection (e).

“(2) *ELIGIBLE DISTRIBUTOR.*—The term ‘eligible distributor’ means a public or private nonprofit organization that distributes donated eligible milk.

“(3) *ELIGIBLE MILK.*—The term ‘eligible milk’ means Class I fluid milk products produced and processed in the United States.

“(4) *ELIGIBLE PARTNERSHIP.*—The term ‘eligible partnership’ means a partnership between an eligible dairy organization and an eligible distributor.

“(5) *PARTICIPATING PARTNERSHIP.*—The term ‘participating partnership’ means an eligible partnership for which the Secretary has approved a donation and distribution plan for eligible milk under subsection (c)(2).

“(b) *PROGRAM REQUIRED; PURPOSES.*—Not later than 180 days after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary shall establish and administer a milk donation program for the purposes of—

“(1) encouraging the donation of eligible milk;

“(2) providing nutrition assistance to individuals in low-income groups; and



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- “(3) reducing food waste.*
- “(c) DONATION AND DISTRIBUTION PLANS.—*
- “(1) IN GENERAL.—To be eligible to receive reimbursement under subsection (d), an eligible partnership shall submit to the Secretary a donation and distribution plan that—*
- “(A) describes the process that the eligible partnership will use for the donation, processing, transportation, temporary storage, and distribution of eligible milk;*
- “(B) includes an estimate of the quantity of eligible milk that the eligible partnership will donate each year, based on—*
- “(i) preplanned donations; and*
- “(ii) contingency plans to address unanticipated donations; and*
- “(C) describes the rate at which the eligible partnership will be reimbursed, which shall be based on a percentage of the limitation described in subsection (e)(2), not to exceed 100 percent.*
- “(2) REVIEW AND APPROVAL.—Not less frequently than annually, the Secretary shall—*
- “(A) review donation and distribution plans submitted under paragraph (1); and*
- “(B) determine whether to approve or disapprove each of those donation and distribution plans.*
- “(d) REIMBURSEMENT.—*
- “(1) IN GENERAL.—On receipt of appropriate documentation under paragraph (2), the Secretary shall reimburse an eligible dairy organization that is a member of a participating partnership on a regular basis for qualified expenses described in subsection (e).*
- “(2) DOCUMENTATION.—*
- “(A) IN GENERAL.—An eligible dairy organization shall submit to the Secretary such documentation as the Secretary may require to demonstrate the qualified expenses described in subsection (e) of the eligible dairy organization.*
- “(B) VERIFICATION.—The Secretary may verify the accuracy of documentation submitted under subparagraph (A) by spot checks and audits.*
- “(3) RETROACTIVE REIMBURSEMENT.—In providing reimbursements under paragraph (1), the Secretary may provide reimbursements for qualified expenses incurred before the date on which the donation and distribution plan for the applicable participating partnership was approved by the Secretary.*
- “(e) QUALIFIED EXPENSES.—*
- “(1) IN GENERAL.—The amount of a reimbursement under subsection (d) shall be an amount equal to the product of—*
- “(A) the quantity of eligible milk donated by the eligible dairy organization under a donation and distribution plan approved by the Secretary under subsection (c); and*
- “(B) subject to the limitation under paragraph (2), the rate described in that donation and distribution plan under subsection (c)(1)(C).*
- “(2) LIMITATION.—Expenses eligible for reimbursement under subsection (d) shall not exceed the value that an eligible*



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*dairy organization incurred by accounting to the Federal milk marketing order pool at the difference in the Class I milk value and the lowest classified price for the applicable month (either Class III milk or Class IV milk).*

*“(f) PREAPPROVAL.—*

*“(1) IN GENERAL.—The Secretary shall—*

*“(A) establish a process for an eligible partnership to apply for preapproval of donation and distribution plans under subsection (c); and*

*“(B) not less frequently than annually, preapprove an amount for qualified expenses described in subsection (e) that the Secretary will allocate for reimbursement under each donation and distribution plan preapproved under subparagraph (A), based on an assessment of—*

*“(i) the feasibility of the plan; and*

*“(ii) the extent to which the plan advances the purposes described in subsection (b).*

*“(2) PREFERENCE.—In preapproving amounts for reimbursement under paragraph (1)(B), the Secretary shall give preference to eligible partnerships that will provide funding and in-kind contributions in addition to the reimbursements.*

*“(3) ADJUSTMENTS.—*

*“(A) IN GENERAL.—The Secretary shall adjust or increase amounts preapproved for reimbursement under paragraph (1)(B) based on performance and demand.*

*“(B) REQUESTS FOR INCREASE.—*

*“(i) IN GENERAL.—The Secretary shall establish a procedure for a participating partnership to request an increase in the amount preapproved for reimbursement under paragraph (1)(B) based on changes in conditions.*

*“(ii) INTERIM APPROVAL; INCREMENTAL INCREASE.—The Secretary may provide an interim approval of an increase requested under clause (i) and an incremental increase in the amount of reimbursement to the applicable participating partnership to allow time for the Secretary to review the request without interfering with the donation and distribution of eligible milk by the participating partnership.*

*“(g) PROHIBITION ON RESALE OF PRODUCTS.—*

*“(1) IN GENERAL.—An eligible distributor that receives eligible milk donated under this section may not sell the products back into commercial markets.*

*“(2) PROHIBITION ON FUTURE PARTICIPATION.—An eligible distributor that the Secretary determines has violated paragraph (1) shall not be eligible for any future participation in the program established under this section.*

*“(h) ADMINISTRATION.—The Secretary shall publicize opportunities to participate in the program established under this section.*

*“(i) REVIEWS.—The Secretary shall conduct appropriate reviews or audits to ensure the integrity of the program established under this section.*

*“(j) FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section \$9,000,000 for*

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fiscal year 2019, and \$5,000,000 for each fiscal year thereafter, to remain available until expended.”.

(2) *CONFORMING AMENDMENT.*—Section 1401 of the Agricultural Act of 2014 (7 U.S.C. 9051) is amended, in the matter preceding paragraph (1), by striking “and part III”.

### ***Subtitle E—Supplemental Agricultural Disaster Assistance***

#### **SEC. 1501. SUPPLEMENTAL AGRICULTURAL DISASTER ASSISTANCE.**

(a) *MEMBERS OF INDIAN TRIBES.*—Section 1501(a)(1)(B) of the Agricultural Act of 2014 (7 U.S.C. 9081(a)(1)(B)) is amended—

(1) by redesignating clauses (iii) and (iv) as clauses (iv) and (v), respectively; and

(2) by inserting after clause (ii) the following:

“(iii) an Indian tribe or tribal organization (as those terms are defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304));”.

(b) *COVERED LIVESTOCK LOSSES FOR LIVESTOCK INDEMNITY PAYMENTS.*—Section 1501(b) of the Agricultural Act of 2014 (7 U.S.C. 9081(b)) is amended—

(1) in paragraph (1)—

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

(B) in subparagraph (B), by striking “cold.” and inserting “cold, on the condition that in the case of the death loss of unweaned livestock due to that adverse weather, the Secretary may disregard any management practice, vaccination protocol, or lack of vaccination by the eligible producer on a farm; or”; and

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

“(C) disease that, as determined by the Secretary—

“(i) is caused or transmitted by a vector; and

“(ii) is not susceptible to control by vaccination or acceptable management practices.”; and

(2) in paragraph (4), by striking “A payment” and inserting “PAYMENT REDUCTIONS.—A payment”.

(c) *EMERGENCY ASSISTANCE FOR LIVESTOCK, HONEY BEES, AND FARM-RAISED FISH.*—

(1) *IN GENERAL.*—Section 1501(d)(2) of the Agricultural Act of 2014 (7 U.S.C. 9081(d)(2)) is amended by inserting “, including inspections of cattle tick fever” before the period at the end.

(2) *EFFECTIVE DATE.*—The amendment made by paragraph (1) shall apply to inspections of cattle tick fever conducted on or after the date of enactment of this Act.

(d) *TREE ASSISTANCE PROGRAM.*—Section 1501(e) of the Agricultural Act of 2014 (7 U.S.C. 9081(e)) is amended—

(1) in paragraph (3), in the matter preceding subparagraph (A), by striking “paragraph (4)” and inserting “paragraphs (4) and (5)”; and

(2) by adding at the end the following:

“(5) *PAYMENT RATE FOR BEGINNING AND VETERAN PRODUCERS.*—Subject to paragraph (4), in the case of a beginning

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*farmer or rancher or a veteran farmer or rancher (as those terms are defined in subsection (a) of section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279)) that is eligible to receive assistance under this subsection, the Secretary shall provide reimbursement of 75 percent of the costs under subparagraphs (A)(i) and (B) of paragraph (3).”.*

*(e) PAYMENT LIMITATION.—Section 1501(f)(2) of the Agricultural Act of 2014 (7 U.S.C. 9081(f)(2)) is amended by striking “this section (excluding payments received under subsections (b) and (e))” and inserting “subsection (c)”.*

## ***Subtitle F—Noninsured Crop Assistance***

### **SEC. 1601. NONINSURED CROP ASSISTANCE PROGRAM.**

*Section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333) is amended—*

*(1) in subsection (a)—*

*(A) in paragraph (1), by adding at the end the following:*

*“(C) DATA COLLECTION AND SHARING.—The Secretary shall coordinate with the Administrator of the Risk Management Agency on the type and format of data received under the noninsured crop disaster assistance program that—*

*“(i) best facilitates the use of that data in developing policies or plans of insurance offered under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.); and*

*“(ii) ensures the availability of that data on a regular basis.*

*“(D) COORDINATION.—The Secretary shall coordinate between the agencies of the Department that provide programs or services to farmers and ranchers that are potentially eligible for the noninsured crop disaster assistance program under this section—*

*“(i) to make available coverage under—*

*“(I) the fee waiver under subsection (k)(2); or*

*“(II) the premium discount under subsection (l)(3); and*

*“(ii) to share eligibility information to reduce paperwork and avoid duplication.”;*

*(B) in paragraph (2), by striking subparagraph (A) and inserting the following:*

*“(A) IN GENERAL.—Subject to subparagraph (B), in this section, the term ‘eligible crop’ means each commercial crop or other agricultural commodity that is produced for food or fiber (except livestock) for which catastrophic risk protection under subsection (b) of section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508) and additional coverage under subsections (c) and (h) of such section are not available or, if such coverage is available, it is only available under a policy that provides coverage for specific intervals*

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based on weather indexes or under a whole farm plan of insurance.”; and

(C) in paragraph (4)(B)—

(i) by striking clause (i) and inserting the following:

“(i) *IN GENERAL.*—

“(I) *AGRICULTURAL ACT OF 2014.*—During the first 4 crop years of planting, as determined by the Secretary, native sod acreage that has been tilled for the production of an annual crop during the period beginning on February 8, 2014, and ending on the date of enactment of the Agriculture Improvement Act of 2018 shall be subject to a reduction in benefits under this section as described in this subparagraph.

“(II) *SUBSEQUENT YEARS.*—Native sod acreage that has been tilled for the production of an eligible crop after the date of enactment of the Agriculture Improvement Act of 2018 shall be subject to a reduction in benefits under this section as described in this subparagraph for not more than any 4 crop years—

“(aa) during the first 10 crop years after the initial tillage; and

“(bb) during which a crop on that acreage is enrolled under subsection (l)(2) or (k).”; and

(ii) in clause (iii)(I), by striking “transitional yield of the producer” and inserting “county expected yield”;

(2) in subsection (b)—

(A) in paragraph (1), by striking “not later than 30 days” and inserting “by an appropriate deadline”; and

(B) by adding at the end the following:

“(4) *STREAMLINED SUBMISSION PROCESS.*—The Secretary shall establish a streamlined process for the submission of records and acreage reports under paragraphs (2) and (3) for diverse production systems such as those typical of urban production systems, other small-scale production systems, and direct-to-consumer production systems.”;

(3) in subsection (d)—

(A) by redesignating paragraphs (1), (2), and (3) as paragraphs (2), (3), and (4), respectively;

(B) by inserting before paragraph (2) (as so redesignated) the following:

“(1) the producer’s share of the total acres devoted to the eligible crop; by”; and

(C) in paragraph (2) (as so redesignated), by striking “established yield for the crop” and inserting “approved yield for the crop, as determined by the Secretary”;

(4) in subsection (e)—

(A) in paragraph (1), by striking “farm” and inserting “approved”;

(B) in paragraph (2)—

(i) in the second sentence—

(I) by inserting “approved” before “yield”; and

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- (II) by striking “Subject” and inserting the following:
- “(B) *CALCULATION.—Subject*”; and
- (i) in the matter preceding subparagraph (B) (as so designated)—
- (I) by striking “yield coverage” and inserting “an approved yield”; and
- (II) by striking “The Secretary” and inserting the following:
- “(A) *IN GENERAL.—The Secretary*”; and
- (C) in paragraph (3), by striking “transitional yield of the producer” and inserting “county expected yield”;
- (5) in subsection (i)(2), by striking “exceed \$125,000” and inserting the following: “exceed—
- “(A) in the case of catastrophic coverage under subsection (c), \$125,000; and
- “(B) in the case of additional coverage under subsection (l), \$300,000”;
- (6) in subsection (k)(1)—
- (A) in subparagraph (A), by striking “\$250” and inserting “\$325”; and
- (B) in subparagraph (B)—
- (i) by striking “\$750” and inserting “\$825”; and
- (ii) by striking “\$1,875” and inserting “\$1,950”;
- and
- (7) in subsection (l)—
- (A) in paragraph (1)—
- (i) by redesignating subparagraphs (A), (B), and (C) as subparagraphs (B), (C), and (D), respectively;
- (ii) by inserting before subparagraph (B) (as so redesignated) the following:
- “(A) the producer’s share of the total acres devoted to the crop;”; and
- (iii) in subparagraph (C) (as so redesignated), by inserting “, contract price, or other premium price (such as a local, organic, or direct market price, as elected by the producer)” after “price”;
- (B) in paragraph (2)(B)(i)—
- (i) in subclause (IV), by striking “and” at the end;
- (ii) in subclause (V), by striking “or” at the end and inserting “and”; and
- (iii) by adding at the end the following:
- “(VI) the producer’s share of the crop; or”;
- (C) by striking paragraphs (3) and (5); and
- (D) by redesignating paragraph (4) as paragraph (3).

## **Subtitle G—Administration**

### **SEC. 1701. REGULATIONS.**

Section 1601(c)(2) of the Agricultural Act of 2014 (7 U.S.C. 9091(c)(2)) is amended—

- (1) in the matter preceding subparagraph (A), by striking “title and sections 11003 and 11017” and inserting “title, sections 11003 and 11017, title I of the Agriculture Improvement



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*Act of 2018 and the amendments made by that title, and section 10109 of that Act”;*

*(2) in subparagraph (A), by adding “and” at the end;*  
*(3) in subparagraph (B), by striking “; and” and inserting a period; and*

*(4) by striking subparagraph (C).*

**SEC. 1702. SUSPENSION OF PERMANENT PRICE SUPPORT AUTHORITY.**

*Section 1602 of the Agricultural Act of 2014 (7 U.S.C. 9092) is amended by striking “2018” each place it appears and inserting “2023”.*

**SEC. 1703. PAYMENT LIMITATIONS.**

*(a) IN GENERAL.—Section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) is amended—*

*(1) in subsection (a)—*

*(A) in paragraph (1), by striking “section 1001 of the Food, Conservation, and Energy Act of 2008” and inserting “section 1111 of the Agricultural Act of 2014 (7 U.S.C. 9011)”;* and

*(B) in paragraph (2), by inserting “first cousin, niece, nephew,” after “sibling.”;*

*(2) in subsections (b) and (c), by striking “and as marketing loan gains or loan deficiency payments under subtitle B of title I of the Agricultural Act of 2014” each place it appears and inserting “of the Agricultural Act of 2014 (7 U.S.C. 9016, 9017)”;* and

*(3) in subsection (f), by adding at the end the following:*

*“(9) ADMINISTRATION OF REDUCTION.—The Secretary shall apply any order described in section 1614(d)(1) of the Agricultural Act of 2014 (7 U.S.C. 9097(d)(1)) to payments under sections 1116 and 1117 of that Act (7 U.S.C. 9016, 9017) prior to applying payment limitations under this section.”.*

*(b) APPLICATION.—The amendments made by this section shall apply beginning with the 2019 crop year.*

**SEC. 1704. ADJUSTED GROSS INCOME LIMITATIONS.**

*(a) WAIVER.—Section 1001D(b) of the Food Security Act of 1985 (7 U.S.C. 1308–3a(b)) is amended—*

*(1) in paragraph (2)(C), by inserting “title II of the Agriculture Improvement Act of 2018,” after “under”;* and

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

*“(3) WAIVER.—The Secretary may waive the limitation established by paragraph (1) with respect to a payment pursuant to a covered benefit described in paragraph (2)(C), on a case-by-case basis, if the Secretary determines that environmentally sensitive land of special significance would be protected as a result of such waiver.”.*

*(b) CONFORMING AMENDMENT.—Section 1001D(b)(1) of the Food Security Act of 1985 (7 U.S.C. 1308–3a(b)(1)) is amended by inserting “subject to paragraph (3),” after “of law.”.*

*(c) TRANSITION.—Section 1001D of the Food Security Act of 1985 (7 U.S.C. 1308–3a), as in effect on the day before the date of enactment of this Act, shall apply with respect to the 2018 crop, fiscal, or program year, as appropriate, for each program described in subsection (b)(2) of that section (as so in effect on that day).*



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**SEC. 1705. FARM SERVICE AGENCY ACCOUNTABILITY.**

(a) *IN GENERAL.*—Not later than 1 year after the date of enactment of this Act, the Secretary shall establish policies, procedures, and plans to improve program accountability and integrity through targeted and coordinated activities, including utilizing data mining to identify and reduce errors, waste, fraud, and abuse in programs administered by the Farm Service Agency.

(b) *REPORT.*—Not later than 3 years after the date of enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the progress and results of the activities conducted under subsection (a).

**SEC. 1706. IMPLEMENTATION.**

(a) *MAINTENANCE OF BASE ACRES AND PAYMENT YIELDS.*—Section 1614(a) of the Agricultural Act of 2014 (7 U.S.C. 9097(a)) is amended by inserting “, and as adjusted pursuant to sections 1112 and 1113” before the period at the end.

(b) *STREAMLINING.*—Section 1614 of the Agricultural Act of 2014 (7 U.S.C. 9097) is amended by striking subsection (b) and inserting the following:

“(b) *STREAMLINING.*—In implementing this title and the amendments made by this title, the Secretary shall—

“(1) continue to reduce administrative burdens and costs to producers by streamlining and reducing paperwork, forms, and other administrative requirements, to ensure that—

“(A) a producer (or an agent of a producer) may report information, electronically (including geospatial data) or conventionally, to the Department of Agriculture, subject to the Secretary—

“(i) establishing reasonable levels of tolerance that reflect the differences in accuracy between measures of common land units and geospatial data; and

“(ii) ensuring that discrepancies that occur within the levels of tolerance established under clause (i) shall not be used to penalize a producer (or an agent of a producer) under any program administered by the Department of Agriculture;

“(B) on the request of a producer (or an agent of a producer), the Department of Agriculture electronically shares with the producer (or agent) in real time and without cost to the producer (or agent) the common land unit data, related farm level data, conservation practices, and other information of the producer through a single Department of Agriculture-wide login;

“(C) not later than September 30, 2020, the Administrator of the Risk Management Agency and the Administrator of the Farm Service Agency shall implement a consistent method for determining crop acreage, acreage yields, farm acreage, property descriptions, and other common informational requirements, including measures of common land units;

“(D) except in the case of misrepresentation, fraud, or scheme and device, no crop insurance agent, approved insurance provider, or employee or contractor of a crop insur-

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ance agency or approved insurance provider bears responsibility or liability under the Acreage Crop Reporting and Streamlining Initiative (or any successor or similar initiative) for the eligibility of a producer for a program administered by the Department of Agriculture, not including a policy or plan of insurance offered under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.); and

“(E) on request of a crop insurance agent or approved insurance provider required to deliver policies and plans of insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) the crop insurance agent or approved insurance provider receives, in a timely manner, any information held by the Farm Service Agency that is necessary to ensure effective crop insurance coverage for farmer customers;

“(2) continue to improve coordination, information sharing, and administrative work among the Farm Service Agency, Risk Management Agency, Natural Resources Conservation Service, and other agencies, as determined by the Secretary;

“(3) continue to take advantage of new technologies to enhance the efficiency and effectiveness of the delivery of Department of Agriculture programs to producers, including by developing and making publicly available data standards and security procedures to allow third-party providers to develop applications that use or feed data (including geospatial and precision agriculture data) into the datasets and analyses of the Department of Agriculture; and

“(4) reduce administrative burdens on producers participating in price loss coverage or agriculture risk coverage by offering—

“(A) those producers an option to remotely and electronically sign annual contracts for that coverage; and

“(B) to the maximum extent practicable, an option to sign a multiyear contract for that coverage.”.

(c) IMPLEMENTATION.—Section 1614(c) of the Agricultural Act of 2014 (7 U.S.C. 9097(c)) is amended by adding at the end the following:

“(4) AGRICULTURE IMPROVEMENT ACT OF 2018.—The Secretary shall make available to the Farm Service Agency to carry out title I of the Agriculture Improvement Act of 2018 and the amendments made by that title \$15,500,000.”.

(d) LOAN IMPLEMENTATION.—Section 1614(d)(1) of the Agricultural Act of 2014 (7 U.S.C. 9097(d)(1)) is amended by striking “under subtitles” and all that follows through “except” and inserting “under subtitle B or C, under the amendments made by subtitle B or C, or under the amendments made by subtitle B or C of the Agriculture Improvement Act of 2018, except”.

(e) DEOBLIGATION OF UNLIQUIDATED OBLIGATIONS.—Section 1614 of the Agricultural Act of 2014 (7 U.S.C. 9097) is amended by adding at the end the following:

“(e) DEOBLIGATION OF UNLIQUIDATED OBLIGATIONS.—

“(1) IN GENERAL.—Subject to paragraph (3), any payment obligated or otherwise made available by the Secretary under this title on or after the date of enactment of the Agriculture Improvement Act of 2018 that is not disbursed to the recipient by

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*the date that is 5 years after the date on which the payment is obligated or otherwise made available shall—*

*“(A) be deobligated; and*

*“(B) revert to the Treasury.*

*“(2) OUTSTANDING PAYMENTS.—*

*“(A) IN GENERAL.—Subject to paragraph (3), any payment obligated or otherwise made available by the Farm Service Agency (or any predecessor agency of the Department of Agriculture) under the laws described in subparagraph (B) before the date of enactment of the Agriculture Improvement Act of 2018, that is not disbursed by the date that is 5 years after the date on which the payment is obligated or otherwise made available shall—*

*“(i) be deobligated; and*

*“(ii) revert to the Treasury.*

*“(B) LAWS DESCRIBED.—The laws referred to in subparagraph (A) are any of the following:*

*“(i) This title.*

*“(ii) Title I of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8702 et seq.).*

*“(iii) Title I of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7901 et seq.).*

*“(iv) The Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).*

*“(v) Titles I through XI of the Food, Agriculture, Conservation, and Trade Act of 1990 (Public Law 101–624; 104 Stat. 3374) and the amendments made by those titles.*

*“(vi) Titles I through X of the Food Security Act of 1985 (Public Law 99–198; 99 Stat. 1362) and the amendments made by those titles.*

*“(vii) Titles I through XI of the Agriculture and Food Act of 1981 (Public Law 97–98; 95 Stat. 1218) and the amendments made by those titles.*

*“(viii) Titles I through X of the Food and Agriculture Act of 1977 (Public Law 95–113; 91 Stat. 917) and the amendments made by those titles.*

*“(3) WAIVER.—The Secretary may delay the date of the deobligation and reversion under paragraph (1) or (2) of any payment—*

*“(A) that is the subject of—*

*“(i) ongoing administrative review or appeal;*

*“(ii) litigation; or*

*“(iii) the settlement of an estate; or*

*“(B) for which the Secretary otherwise determines that the circumstances are such that the delay is equitable.”*

*(f) REPORT.—Section 1614 of the Agricultural Act of 2014 (7 U.S.C. 9097) (as amended by subsection (e)) is amended by adding at the end the following:*

*“(f) REPORT.—Not later than January 1, 2020, and each January 1 thereafter through January 1, 2023, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the tilled native sod acreage that was subject to a reduction in benefits under section 196(a)(4)(B) of the*

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*Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333(a)(4)(B) and section 508(o)(2) of the Federal Crop Insurance Act (7 U.S.C. 1508(o)(2))—*

- “(1) as of the date of submission of the report; and*
- “(2) by State and county, relative to the total acres of cropland in the State or county.”.*

**SEC. 1707. EXEMPTION FROM CERTAIN REPORTING REQUIREMENTS FOR CERTAIN PRODUCERS.**

*(a) DEFINITION OF EXEMPTED PRODUCER.—In this section, the term “exempted producer” means an individual or entity that is eligible to participate in—*

- (1) a conservation program under title II or a law amended by title II;*
- (2) an indemnity or disease control program under the Animal Health Protection Act (7 U.S.C. 8301 et seq.) or the Plant Protection Act (7 U.S.C. 7701 et seq.); or*
- (3) a commodity program under title I of the Agricultural Act of 2014 (7 U.S.C. 9011 et seq.), excluding the assistance provided to users of cotton under sections 1207(c) and 1208 of that Act (7 U.S.C. 9037(c), 9038).*

*(b) EXEMPTION.—Notwithstanding the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109–282; 31 U.S.C. 6101 note), the requirements of parts 25 and 170 of title 2, Code of Federal Regulations (or successor regulations), shall not apply with respect to assistance received by an exempted producer from the Secretary, acting through the Chief of the Natural Resources Conservation Service, the Administrator of the Animal and Plant Health Inspection Service, or the Administrator of the Farm Service Agency.*

## **TITLE II—CONSERVATION**

### **Subtitle A—Wetland Conservation**

**SEC. 2101. WETLAND CONVERSION.**

*Section 1221(d) of the Food Security Act of 1985 (16 U.S.C. 3821(d)) is amended—*

- (1) by striking “Except as” and inserting the following:*  
*“(1) IN GENERAL.—Except as”;* and
- (2) by adding at the end the following:*  
*“(2) DUTY OF THE SECRETARY.—No person shall become ineligible under paragraph (1) if the Secretary determines that an exemption under section 1222(b) applies to that person.”.*

**SEC. 2102. WETLAND CONSERVATION.**

*Section 1222(c) of the Food Security Act of 1985 (16 U.S.C. 3822(c)) is amended—*

- (1) by striking “No program” and inserting the following:*  
*“(1) IN GENERAL.—No program”;*
- (2) in paragraph (1) (as so designated), by inserting “, which, except as provided in paragraph (2), shall be conducted in the presence of the affected person” before the period at the end; and*
- (3) by adding at the end the following:*

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“(2) *EXCEPTION.*—*The Secretary may conduct an on-site visit under paragraph (1) without the affected person present if the Secretary has made a reasonable effort to include the presence of the affected person at the on-site visit.*”

**SEC. 2103. MITIGATION BANKING.**

*Section 1222(k)(1)(B) of the Food Security Act of 1985 (16 U.S.C. 3822(k)(1)(B)) is amended to read as follows:*

“(B) *AUTHORIZATION OF APPROPRIATIONS.*—*There is authorized to be appropriated to the Secretary to carry out this paragraph \$5,000,000 for each of fiscal years 2019 through 2023.*”

## ***Subtitle B—Conservation Reserve Program***

**SEC. 2201. CONSERVATION RESERVE.**

(a) *IN GENERAL.*—*Section 1231(a) of the Food Security Act of 1985 (16 U.S.C. 3831(a)) is amended by striking “2018” and inserting “2023”.*

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

(1) *in paragraph (1)(B), by striking “Agricultural Act of 2014 (except for land enrolled in the conservation reserve program as of that date)” and inserting “Agriculture Improvement Act of 2018, on the condition that the Secretary shall consider to be planted cropland enrolled in the conservation reserve program”;*

(2) *by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively;*

(3) *by inserting after paragraph (3) the following:*

“(4) *cropland, marginal pasture land, and grasslands that will have a positive impact on water quality and will be devoted to—*

“(A) *a grass sod waterway;*

“(B) *a contour grass sod strip;*

“(C) *a prairie strip;*

“(D) *a filterstrip;*

“(E) *a riparian buffer;*

“(F) *a wetland or a wetland buffer;*

“(G) *a saturated buffer;*

“(H) *a bioreactor; or*

“(I) *another similar water quality practice, as determined by the Secretary;*”;

(4) *in paragraph (5) (as so redesignated)—*

(A) *in subparagraph (C), by striking “or filterstrips or riparian buffers devoted to trees, shrubs, or grasses” and inserting “salt tolerant vegetation, field borders, or practices to benefit State or federally identified wellhead protection areas”; and*

(B) *in subparagraph (E), by striking “or” after the semicolon;*

(5) *in paragraph (6) (as so redesignated), in subparagraph (B)(ii), by striking the period at the end and inserting “; or”; and*

(6) *by adding at the end the following:*



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- “(7) as determined by the Secretary, land—
- “(A) that was enrolled in the conservation reserve program under a 15-year contract that expired on September 30, 2017, or September 30, 2018;
- “(B) for which there was no opportunity for additional enrollment in that program; and
- “(C) on which the conservation practice under the expired contract under subparagraph (A) is maintained.”.
- (c) *ENROLLMENT*.—Section 1231(d) of the Food Security Act of 1985 (16 U.S.C. 3831(d)) is amended—
- (1) in paragraph (1), by striking subparagraphs (A) through (E) and inserting the following:
- “(A) fiscal year 2019, not more than 24,000,000 acres;
- “(B) fiscal year 2020, not more than 24,500,000 acres;
- “(C) fiscal year 2021, not more than 25,000,000 acres;
- “(D) fiscal year 2022, not more than 25,500,000 acres;
- and
- “(E) fiscal year 2023, not more than 27,000,000 acres.”;
- (2) in paragraph (2)—
- (A) by striking subparagraphs (A) and (B) and inserting the following:
- “(A) *LIMITATION*.—For purposes of applying the limitations in paragraph (1)—
- “(i) the Secretary shall enroll and maintain in the conservation reserve not fewer than 2,000,000 acres of the land described in subsection (b)(3) by September 30, 2023; and
- “(ii) in carrying out clause (i), to the maximum extent practicable, the Secretary shall maintain in the conservation reserve at any one time during—
- “(I) fiscal year 2019, 1,000,000 acres;
- “(II) fiscal year 2020, 1,500,000 acres; and
- “(III) fiscal years 2021 through 2023, 2,000,000 acres.
- “(B) *PRIORITY*.—In enrolling acres under subparagraph (A), the Secretary may give priority to land, as determined by the Secretary—
- “(i) with expiring conservation reserve contracts;
- “(ii) at risk of conversion or development; or
- “(iii) of ecological significance, including land that—
- “(I) may assist in the restoration of threatened or endangered species under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.);
- “(II) may assist in preventing a species from being listed as a threatened or endangered species under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.); or
- “(III) improves or creates wildlife habitat corridors.”;
- (B) in subparagraph (C)—
- (i) by striking “In enrolling” and inserting the following:
- “(i) *IN GENERAL*.—In enrolling”;



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(ii) in clause (i) (as so designated), by striking “a continuous” and inserting “an annual”; and

(iii) by adding at the end the following:

“(ii) **TIMING OF GRASSLAND RANKING PERIOD.**—For purposes of grasslands described in subsection (b)(3), the Secretary shall announce at least 1 ranking period subsequent to the announcement of general enrollment offers.”; and

(C) by adding at the end the following:

“(D) **RESERVATION OF UNENROLLED ACRES.**—If the Secretary is unable in a fiscal year to enroll enough acres of land described in subsection (b)(3) to meet the number of acres described in clause (ii) or (iii) of subparagraph (A) for the fiscal year—

“(i) the Secretary shall reserve the remaining number of acres for that fiscal year for the enrollment of land described in subsection (b)(3); and

“(ii) that number of acres shall not be available for the enrollment of any other type of eligible land.”; and

(3) by adding at the end the following:

“(3) **WATER QUALITY PRACTICES TO FOSTER CLEAN LAKES, ESTUARIES, AND RIVERS (CLEAR INITIATIVE).**—

“(A) **IN GENERAL.**—The Secretary shall give priority within continuous enrollment under paragraph (6) to the enrollment of land described in subsection (b)(4).

“(B) **SEDIMENT AND NUTRIENT LOADINGS.**—In carrying out subparagraph (A), the Secretary shall give priority to the implementation of practices on land that, if enrolled, will help reduce sediment loadings, nutrient loadings, and harmful algal blooms, as determined by the Secretary.

“(C) **ACREAGE.**—

“(i) **IN GENERAL.**—Of the acres maintained in the conservation reserve in accordance with paragraph (1), to the maximum extent practicable, not less than 40 percent of acres enrolled in the conservation reserve using continuous enrollment under paragraph (6) shall be of land described in subsection (b)(4).

“(ii) **LIMITATION.**—The acres described in clause (i) shall not include grasslands described in subsection (b)(3).

“(D) **REPORT.**—The Secretary shall—

“(i) in the monthly publication of the Secretary describing conservation reserve program statistics, include a description of enrollments through the priority under this paragraph; and

“(ii) publish on the website of the Farm Service Agency an annual report describing a summary of, with respect to the enrollment priority under this paragraph—

“(I) new enrollments;

“(II) expirations;

“(III) geographic distribution; and

“(IV) estimated water quality benefits.

“(4) **STATE ENROLLMENT RATES.**—At the beginning of each of fiscal years 2019 through 2023, to the maximum extent prac-

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*licable, the Secretary shall allocate to the States proportionately 60 percent of the available number of acres each year for enrollment in the conservation reserve, in accordance with historical State enrollment rates, taking into consideration—*

*“(A) the average number of acres of all land enrolled in the conservation reserve in each State during each of fiscal years 2007 through 2016;*

*“(B) the average number of acres of all land enrolled in the conservation reserve nationally during each of fiscal years 2007 through 2016; and*

*“(C) the acres available for enrollment during each of fiscal years 2019 through 2023, excluding acres described in paragraph (2).*

*“(5) FREQUENCY.—In carrying out this subchapter, for contracts that are not available on a continuous enrollment basis, the Secretary shall hold a signup and enrollment not less often than once each year.*

*“(6) CONTINUOUS ENROLLMENT PROCEDURE.—*

*“(A) IN GENERAL.—To the maximum extent practicable, the Secretary shall allow producers to submit applications on a continuous basis for enrollment in—*

*“(i) the conservation reserve of—*

*“(I) marginal pasture land described in subsection (b)(2);*

*“(II) land described in subsection (b)(4); and*

*“(III) cropland described in subsection (b)(5);*

*and*

*“(ii) the conservation reserve enhancement program under section 1231A.*

*“(B) LIMITATION.—For purposes of applying the limitations in paragraph (1)—*

*“(i) the Secretary shall, to the maximum extent practicable, enroll and maintain not fewer than 8,600,000 acres of land under subparagraph (A) by September 30, 2023; and*

*“(ii) in carrying out clause (i), to the maximum extent practicable, the Secretary shall maintain in the conservation reserve at any one time during—*

*“(I) fiscal year 2019, 8,000,000 acres;*

*“(II) fiscal year 2020, 8,250,000 acres;*

*“(III) fiscal year 2021, 8,500,000 acres; and*

*“(IV) fiscal years 2022 and 2023, 8,600,000 acres.”*

*(d) ELIGIBILITY FOR CONSIDERATION.—Section 1231(h) of the Food Security Act of 1985 (16 U.S.C. 3831(h)) is amended—*

*(1) by striking “On the expiration” and inserting the following:*

*“(1) IN GENERAL.—On the expiration”; and*

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

*“(2) REENROLLMENT LIMITATION FOR CERTAIN LAND.—*

*“(A) IN GENERAL.—Except as provided in subparagraph (B), land subject to a contract entered into under this subchapter shall be eligible for only one reenrollment in the conservation reserve under paragraph (1) if the land is devoted to hardwood trees.*

“(B) *EXCLUSIONS.*—Subparagraph (A) shall not apply to—

- “(i) riparian forested buffers;
- “(ii) forested wetlands enrolled under subsection (d)(3) or the conservation reserve enhancement program under section 1231A; and
- “(iii) shelterbelts.”

**SEC. 2202. CONSERVATION RESERVE ENHANCEMENT PROGRAM.**

(a) *IN GENERAL.*—Subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 is amended by inserting after section 1231 (16 U.S.C. 3831) the following:

**“SEC. 1231A. CONSERVATION RESERVE ENHANCEMENT PROGRAM.**

“(a) *DEFINITIONS.*—In this section:

“(1) *CREP.*—The term ‘CREP’ means a conservation reserve enhancement program carried out under subsection (b)(1).

“(2) *ELIGIBLE LAND.*—The term ‘eligible land’ means land that is eligible to be included in the program established under this subchapter.

“(3) *ELIGIBLE PARTNER.*—The term ‘eligible partner’ means—

“(A) a State;

“(B) a political subdivision of a State;

“(C) an Indian tribe (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304)); or

“(D) a nongovernmental organization.

“(4) *MANAGEMENT.*—The term ‘management’ means an activity conducted by an owner or operator under a contract entered into under this subchapter after the establishment of a conservation practice on eligible land, to regularly maintain or enhance the vegetative cover established by the conservation practice—

“(A) throughout the term of the contract; and

“(B) consistent with the conservation plan that covers the eligible land.

“(b) *AGREEMENTS.*—

“(1) *IN GENERAL.*—The Secretary may enter into an agreement with an eligible partner to carry out a conservation reserve enhancement program—

“(A) to assist in enrolling eligible land in the program established under this subchapter; and

“(B) that the Secretary determines will advance the purposes of this subchapter.

“(2) *CONTENTS.*—An agreement entered into under paragraph (1) shall—

“(A) describe—

“(i) 1 or more specific State or nationally significant conservation concerns to be addressed by the agreement;

“(ii) quantifiable environmental goals for addressing the concerns under clause (i);

“(iii) a suitable acreage goal for enrollment of eligible land under the agreement, as determined by the Secretary;

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*“(iv) the location of eligible land to be enrolled in the project area identified under the agreement;*

*“(v) the payments to be offered by the Secretary and eligible partner to an owner or operator; and*

*“(vi) an appropriate list of conservation reserve program conservation practices that are appropriate to meeting the concerns described under clause (i), as determined by the Secretary in consultation with eligible partners;*

*“(B) subject to subparagraph (C), require the eligible partner to provide matching funds—*

*“(i) in an amount determined during a negotiation between the Secretary and 1 or more eligible partners, if the majority of the matching funds to carry out the agreement are provided by 1 or more eligible partners that are not nongovernmental organizations; or*

*“(ii) in an amount not less than 30 percent of the cost required to carry out the conservation measures and practices described in the agreement, if a majority of the matching funds to carry out the agreement are provided by 1 or more nongovernmental organizations; and*

*“(C) include procedures to allow for a temporary waiver of the matching requirements under subparagraph (B), or continued enrollment with a temporary suspension of incentives or eligible partner contributions for new agreements, during a period when an eligible partner loses the authority or ability to provide matching contributions, if the Secretary determines that the temporary waiver or continued enrollment with a temporary suspension will advance the purposes of this subchapter.*

*“(3) EFFECT ON EXISTING AGREEMENTS.—*

*“(A) IN GENERAL.—Subject to subparagraph (B), an agreement under this subsection shall not affect, modify, or interfere with existing agreements under this subchapter.*

*“(B) MODIFICATION OF EXISTING AGREEMENTS.—To implement this section, the signatories to an agreement under this subsection may mutually agree to a modification of an agreement entered into before the date of enactment of this section under the Conservation Reserve Enhancement Program established by the Secretary under this subchapter.*

*“(c) PAYMENTS.—*

*“(1) MATCHING REQUIREMENT.—Funds provided by an eligible partner may be in cash, in-kind contributions, or technical assistance, as determined by the Secretary.*

*“(2) MARGINAL PASTURELAND COST-SHARE PAYMENTS.—The Secretary shall ensure that cost-share payments to an owner or operator to install stream fencing, crossings, and alternative water development on marginal pastureland under a CREP reflect the fair market value of the cost of installation.*

*“(3) COST-SHARE AND PRACTICE INCENTIVE PAYMENTS.—*

*“(A) IN GENERAL.—On request of an owner or operator, the Secretary shall provide cost-share payments when a major component of a conservation practice is completed under a CREP, as determined by the Secretary.*

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*“(B) EXEMPTION.—For purposes of implementing conservation practices on land enrolled under a CREP, the Secretary may waive the contribution limitation described in section 1234(b)(2)(A).”*

*“(4) RIPARIAN BUFFER MANAGEMENT PAYMENTS.—*

*“(A) IN GENERAL.—In the case of an agreement under subsection (b)(1) that includes riparian buffers as an eligible practice, the Secretary shall make cost-share payments to encourage the regular management of the riparian buffer throughout the term of the agreement, consistent with the conservation plan that covers the eligible land.”*

*“(B) LIMITATION.—The amount of payments received by an owner or operator under subparagraph (A) shall not be greater than 100 percent of the normal and customary projected management cost, as determined by the Secretary, in consultation with the applicable State technical committee established under section 1261(a).”*

*“(d) FORESTED RIPARIAN BUFFER PRACTICE.—*

*“(1) FOOD-PRODUCING WOODY PLANTS.—In the case of an agreement under subsection (b)(1) that includes forested riparian buffers as an eligible practice, the Secretary shall allow an owner or operator—*

*“(A) to plant food-producing woody plants in the forested riparian buffers, on the conditions that—*

*“(i) the plants shall contribute to the conservation of soil, water quality, and wildlife habitat; and*

*“(ii) the planting shall be consistent with—*

*“(I) recommendations of the applicable State technical committee established under section 1261(a); and*

*“(II) technical guide standards of the applicable field office of the Natural Resources Conservation Service; and*

*“(B) to harvest from plants described in subparagraph (A), on the conditions that—*

*“(i) the harvesting shall not damage the conserving cover or otherwise have a negative impact on the conservation concerns targeted by the CREP;*

*“(ii) only native plant species appropriate to the region shall be used within 35 feet of the watercourse; and*

*“(iii) the producer shall be subject to a reduction in the rental rate commensurate to the value of the crop harvested.”*

*“(2) TECHNICAL ASSISTANCE.—For the purpose of enrolling forested riparian buffers in a CREP, the Administrator of the Farm Service Agency shall coordinate with the applicable State forestry agency.”*

*“(e) DROUGHT AND WATER CONSERVATION AGREEMENTS.—In the case of an agreement under subsection (b)(1) to address regional drought concerns, in accordance with the conservation purposes of the CREP, the Secretary, in consultation with the applicable State technical committee established under section 1261(a), may—*

*“(1) notwithstanding subsection (a)(2), enroll other agricultural land on which the resource concerns identified in the*



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agreement can be addressed if the enrollment of the land is critical to the accomplishment of the purposes of the agreement;

“(2) permit dryland agricultural uses with the adoption of best management practices on enrolled land if the agreement involves the significant long-term reduction of consumptive water use and dryland production is compatible with the agreement; and

“(3) calculate annual rental payments consistent with existing administrative practice for similar drought and water conservation agreements under this subtitle and ensure regional consistency in those rates.

“(f) STATUS REPORT.—Not later than 180 days after the end of each fiscal year, the Secretary shall submit to Congress a report that describes, with respect to each agreement entered into under subsection (b)(1)—

“(1) the status of the agreement;

“(2) the purposes and objectives of the agreement;

“(3) the Federal and eligible partner commitments made under the agreement; and

“(4) the progress made in fulfilling those commitments.”.

(b) CONFORMING AMENDMENTS.—

(1) Section 1240R(c)(3) of the Food Security Act of 1985 (16 U.S.C. 3839bb–5(c)(3)) is amended by striking “a special conservation reserve enhancement program described in section 1234(f)(4)” and inserting “a conservation reserve enhancement program under section 1231A”.

(2) Section 1244(f)(3) of the Food Security Act of 1985 (16 U.S.C. 3844(f)(3)) is amended by striking “subsection (d)(2)(A)(ii) or (g)(2) of section 1234” and inserting “section 1231A”.

**SEC. 2203. FARMABLE WETLAND PROGRAM.**

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

(1) in subsection (a)(1), by striking “2018” and inserting “2023”; and

(2) in subsection (f)(2), by striking “1234(d)(2)(A)(ii)” and inserting “1234(d)”.

**SEC. 2204. PILOT PROGRAMS.**

Subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 is amended by inserting after section 1231B (16 U.S.C. 3831b) the following:

**“SEC. 1231C. PILOT PROGRAMS.**

“(a) CLEAR 30.—

“(1) IN GENERAL.—

“(A) ENROLLMENT.—The Secretary shall establish a pilot program to enroll land in the conservation reserve program through a 30-year conservation reserve contract (referred to in this subsection as a ‘CLEAR 30 contract’) in accordance with this subsection.

“(B) INCLUSION OF ACREAGE LIMITATION.—For purposes of applying the limitations in section 1231(d)(1), the Secretary shall include acres of land enrolled under this subsection.

“(2) EXPIRED CONSERVATION CONTRACT ELECTION.—



*“(A) DEFINITION OF COVERED CONTRACT.—In this paragraph, the term ‘covered contract’ means a contract entered into under this subchapter that—*

*“(i) expires on or after the date of enactment of the Agriculture Improvement Act of 2018; and*

*“(ii) covers land enrolled in the conservation reserve program under the clean lakes, estuaries, and rivers priority described in section 1231(d)(3) (or the predecessor practices that constitute the priority, as determined by the Secretary).*

*“(B) ELECTION.—On the expiration of a covered contract, an owner or operator party to the covered contract shall elect—*

*“(i) not to reenroll the land under the contract;*

*“(ii) to offer to reenroll the land under the contract if the land remains eligible under the terms in effect as of the date of expiration; or*

*“(iii) not to reenroll the land under the contract and to enroll that land through a CLEAR 30 contract under this subsection.*

*“(3) ELIGIBLE LAND.—Only land that is subject to an expired covered contract shall be eligible for enrollment through a CLEAR 30 contract under this subsection.*

*“(4) TERM.—The term of a CLEAR 30 contract shall be 30 years.*

*“(5) AGREEMENTS.—To be eligible to enroll land in the conservation reserve program through a CLEAR 30 contract, the owner of the land shall enter into an agreement with the Secretary—*

*“(A) to implement a conservation reserve plan developed for the land;*

*“(B) to comply with the terms and conditions of the contract and any related agreements; and*

*“(C) to temporarily suspend the base history for the land covered by the contract.*

*“(6) TERMS AND CONDITIONS OF CLEAR 30 CONTRACTS.—*

*“(A) IN GENERAL.—A CLEAR 30 contract shall include terms and conditions that—*

*“(i) permit—*

*“(I) repairs, improvements, and inspections on the land that are necessary to maintain existing public drainage systems; and*

*“(II) owners to control public access on the land while identifying access routes to be used for restoration activities and management and contract monitoring;*

*“(ii) prohibit—*

*“(I) the alteration of wildlife habitat and other natural features of the land, unless specifically authorized by the Secretary as part of the conservation reserve plan;*

*“(II) the spraying of the land with chemicals or the mowing of the land, except where the spraying or mowing is authorized by the Secretary or is necessary—*

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*“(aa) to comply with Federal or State noxious weed control laws;*

*“(bb) to comply with a Federal or State emergency pest treatment program; or*

*“(cc) to meet habitat needs of specific wild-life species;*

*“(III) any activity to be carried out on the land of the owner or successor that is immediately adjacent to, and functionally related to, the land that is subject to the contract if the activity will alter, degrade, or otherwise diminish the functional value of the land; and*

*“(IV) the adoption of any other practice that would tend to defeat the purposes of the conservation reserve program, as determined by the Secretary; and*

*“(iii) include any additional provision that the Secretary determines is appropriate to carry out this section or facilitate the practical administration of this section.*

*“(B) VIOLATION.—On the violation of a term or condition of a CLEAR 30 contract, the Secretary may require the owner to refund all or part of any payments received by the owner under the conservation reserve program, with interest on the payments, as determined appropriate by the Secretary.*

*“(C) COMPATIBLE USES.—Land subject to a CLEAR 30 contract may be used for compatible economic uses, including hunting and fishing, managed timber harvest, or periodic haying or grazing, if the use—*

*“(i) is specifically permitted by the conservation reserve plan developed for the land; and*

*“(ii) is consistent with the long-term protection and enhancement of the conservation resources for which the contract was established.*

*“(7) COMPENSATION.—*

*“(A) AMOUNT OF PAYMENTS.—The Secretary shall provide payment under this subsection to an owner of land enrolled through a CLEAR 30 contract using 30 annual payments in an amount equal to the amount that would be used if the land were to be enrolled in the conservation reserve program under section 1231(d)(3).*

*“(B) FORM OF PAYMENT.—Compensation for a CLEAR 30 contract shall be provided by the Secretary in the form of a cash payment in an amount determined under subparagraph (A).*

*“(C) TIMING.—The Secretary shall provide any annual payment obligation under subparagraph (A) as early as practicable in each fiscal year.*

*“(D) PAYMENTS TO OTHERS.—The Secretary shall make a payment, in accordance with regulations prescribed by the Secretary, in a manner as the Secretary determines is fair and reasonable under the circumstances, if an owner who is entitled to a payment under this section—*

*“(i) dies;*

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“(ii) becomes incompetent;

“(iii) is succeeded by another person or entity who renders or completes the required performance; or

“(iv) is otherwise unable to receive the payment.

“(8) TECHNICAL ASSISTANCE.—

“(A) IN GENERAL.—The Secretary shall assist owners in complying with the terms and conditions of a CLEAR 30 contract.

“(B) CONTRACTS OR AGREEMENTS.—The Secretary may enter into 1 or more contracts with private entities or agreements with a State, nongovernmental organization, or Indian Tribe to carry out necessary maintenance of a CLEAR 30 contract if the Secretary determines that the contract or agreement will advance the purposes of the conservation reserve program.

“(9) ADMINISTRATION.—

“(A) CONSERVATION RESERVE PLAN.—The Secretary shall develop a conservation reserve plan for any land subject to a CLEAR 30 contract, which shall include practices and activities necessary to maintain, protect, and enhance the conservation value of the enrolled land.

“(B) DELEGATION OF CONTRACT ADMINISTRATION.—

“(i) FEDERAL, STATE, OR LOCAL GOVERNMENT AGENCIES.—The Secretary may delegate any of the management, monitoring, and enforcement responsibilities of the Secretary under this subsection to other Federal, State, or local government agencies that have the appropriate authority, expertise, and resources necessary to carry out those delegated responsibilities.

“(ii) CONSERVATION ORGANIZATIONS.—The Secretary may delegate any management responsibilities of the Secretary under this subsection to conservation organization if the Secretary determines the conservation organization has similar expertise and resources.

“(b) SOIL HEALTH AND INCOME PROTECTION PILOT PROGRAM.—

“(1) DEFINITION OF ELIGIBLE LAND.—In this subsection:

“(A) IN GENERAL.—The term ‘eligible land’ means cropland that—

“(i) is selected by the owner or operator of the land for proposed enrollment in the pilot program under this subsection; and

“(ii) as determined by the Secretary—

“(I) is located within 1 or more States that are part of the prairie pothole region, as selected by the Secretary based on consultation with State Committees of the Farm Service Agency and State technical committees established under section 1261(a) from that region;

“(II) had a cropping history or was considered to be planted during each of the 3 crop years preceding enrollment; and

“(III) is verified to be less-productive land, as compared to other land on the applicable farm.

“(B) EXCLUSION.—The term ‘eligible land’ does not include any land that was enrolled in a conservation reserve

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*program contract in any of the 3 crop years preceding enrollment in the pilot program under this subsection.*

*“(2) ESTABLISHMENT.—*

*“(A) IN GENERAL.—The Secretary shall establish a voluntary soil health and income protection pilot program under which eligible land is enrolled through the use of contracts to assist owners and operators of eligible land to conserve and improve the soil, water, and wildlife resources of the eligible land.*

*“(B) DEADLINE FOR PARTICIPATION.—Eligible land may be enrolled in the program under this section through December 31, 2020.*

*“(3) CONTRACTS.—*

*“(A) REQUIREMENTS.—A contract described in paragraph (2) shall—*

*“(i) be entered into by the Secretary, the owner of the eligible land, and (if applicable) the operator of the eligible land; and*

*“(ii) provide that, during the term of the contract—*

*“(I) the lowest practicable cost perennial conserving use cover crop for the eligible land, as determined by the applicable State conservationist after considering the advice of the applicable State technical committee, shall be planted on the eligible land;*

*“(II) except as provided in subparagraph (E), the owner or operator of the eligible land shall pay the cost of planting the conserving use cover crop under subclause (I);*

*“(III) subject to subparagraph (F), the eligible land may be harvested for seed, hayed, or grazed outside the primary nesting season established for the applicable county;*

*“(IV) the eligible land may be eligible for a walk-in access program of the applicable State, if any; and*

*“(V) a nonprofit wildlife organization may provide to the owner or operator of the eligible land a payment in exchange for an agreement by the owner or operator not to harvest the conserving use cover.*

*“(B) PAYMENTS.—Except as provided in subparagraphs (E) and (F)(ii)(II), the annual rental rate for a payment under a contract described in paragraph (2) shall be equal to 50 percent of the average rental rate for the applicable county under section 1234(d), as determined by the Secretary.*

*“(C) LIMITATION ON ENROLLED LAND.—Not more than 15 percent of the eligible land on a farm may be enrolled in the pilot program under this subsection.*

*“(D) TERM.—*

*“(i) IN GENERAL.—Except as provided in clause (ii), each contract described in paragraph (2) shall be for a term of 3, 4, or 5 years, as determined by the parties to the contract.*

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“(ii) *EARLY TERMINATION.*—

“(I) *SECRETARY.*—The Secretary may terminate a contract described in paragraph (2) before the end of the term described in clause (i) if the Secretary determines that the early termination of the contract is necessary.

“(II) *OWNERS AND OPERATORS.*—An owner and (if applicable) an operator of eligible land enrolled in the pilot program under this subsection may terminate a contract described in paragraph (2) before the end of the term described in clause (i) if the owner and (if applicable) the operator pay to the Secretary an amount equal to the amount of rental payments received under the contract.

“(E) *BEGINNING, LIMITED RESOURCE, SOCIALLY DISADVANTAGED, OR VETERAN FARMERS AND RANCHERS.*—With respect to a beginning, limited resource, socially disadvantaged, or veteran farmer or rancher, as determined by the Secretary—

“(i) a contract described in paragraph (2) shall provide that, during the term of the contract, of the actual cost of establishment of the conserving use cover crop under subparagraph (A)(ii)(I)—

“(I) using the funds of the Commodity Credit Corporation, the Secretary shall pay 50 percent; and

“(II) the beginning, limited resource, socially disadvantaged, or veteran farmer or rancher shall pay 50 percent; and

“(ii) the annual rental rate for a payment under a contract described in paragraph (2) shall be equal to 75 percent of the average rental rate for the applicable county under section 1234(d), as determined by the Secretary.

“(F) *HARVESTING, HAYING, AND GRAZING OUTSIDE APPLICABLE PERIOD.*—The harvesting for seed, haying, or grazing of eligible land under subparagraph (A)(ii)(III) outside of the primary nesting season established for the applicable county shall be subject to the conditions that—

“(i) with respect to eligible land that is so hayed or grazed, adequate stubble height shall be maintained to protect the soil on the eligible land, as determined by the applicable State conservationist after considering the advice of the applicable State technical committee; and

“(ii) with respect to eligible land that is so harvested for seed—

“(I) the eligible land shall not be eligible to be insured or reinsured under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.); and

“(II) the rental payment otherwise applicable to the eligible land under this subsection shall be reduced by 25 percent.

“(4) *ACREAGE LIMITATION.*—Of the number of acres available for enrollment in the conservation reserve under section



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1231(d)(1), not more than 50,000 total acres of eligible land may be enrolled under the pilot program under this subsection.

“(5) REPORT.—The Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report describing the eligible land enrolled in the pilot program under this subsection, including—

“(A) the estimated conservation value of the land; and

“(B) estimated savings from reduced commodity payments, crop insurance indemnities, and crop insurance premium subsidies.”

**SEC. 2205. DUTIES OF OWNERS AND OPERATORS.**

Section 1232(a) of the Food Security Act of 1985 (16 U.S.C. 3832(a)) is amended—

(1) by redesignating paragraphs (10) and (11) as paragraphs (11) and (12), respectively; and

(2) by inserting after paragraph (9) the following:

“(10) on land devoted to hardwood or other trees, excluding windbreaks and shelterbelts, to carry out proper thinning and other practices—

“(A) to enhance the conservation benefits and wildlife habitat resources addressed by the conservation practice under which the land is enrolled; and

“(B) to promote forest management;”

**SEC. 2206. DUTIES OF THE SECRETARY.**

(a) COST-SHARE AND RENTAL PAYMENTS.—Section 1233(a) of the Food Security Act of 1985 (16 U.S.C. 3833(a)) is amended—

(1) in paragraph (1), by inserting “, including the cost of fencing and other water distribution practices, if applicable” after “interest”; and

(2) in paragraph (2)—

(A) in the matter preceding subparagraph (A), by striking “in an amount necessary to compensate” and inserting “, in accordance with section 1234(d),”;

(B) in subparagraph (A)—

(i) by inserting “, marginal pastureland,” after “cropland”; and

(ii) by adding “or” at the end;

(C) by striking subparagraph (B); and

(D) by redesignating subparagraph (C) as subparagraph (B).

(b) SPECIFIED ACTIVITIES PERMITTED.—Section 1233 of the Food Security Act of 1985 (16 U.S.C. 3833) is amended by striking subsection (b) and inserting the following:

“(b) SPECIFIED ACTIVITIES PERMITTED.—

“(1) IN GENERAL.—The Secretary, in coordination with the applicable State technical committee established under section 1261(a), shall permit certain activities or commercial uses of established cover on land that is subject to a contract under the conservation reserve program if—

“(A) those activities or uses—

“(i) are consistent with the conservation of soil, water quality, and wildlife habitat;



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*“(ii) are subject to appropriate restrictions during the primary nesting season for birds in the local area that are economically significant, in significant decline, or conserved in accordance with Federal or State law;*

*“(iii) contribute to the health and vigor of the established cover; and*

*“(iv) are consistent with a site-specific plan, including vegetative management requirements, stocking rates, and frequency and duration of activity, taking into consideration regional differences, such as climate, soil type, and natural resources; and*

*“(B) the Secretary, in coordination with the State technical committee, includes contract modifications—*

*“(i) without any reduction in the rental rate for—*

*“(I) emergency haying, emergency grazing, or other emergency use of the forage in response to a localized or regional drought, flooding, wildfire, or other emergency, on all practices, outside the primary nesting season, when—*

*“(aa) the county is designated as D2 (severe drought) or greater according to the United States Drought Monitor;*

*“(bb) there is at least a 40 percent loss in forage production in the county; or*

*“(cc) the Secretary, in coordination with the State technical committee, determines that the program can assist in the response to a natural disaster event without permanent damage to the established cover;*

*“(II) emergency grazing on all practices during the primary nesting season if payments are authorized for a county under the livestock forage disaster program under clause (ii) of section 1501(c)(3)(D) of the Agricultural Act of 2014 (7 U.S.C. 9081(c)(3)(D)), at 50 percent of the normal carrying capacity determined under clause (i) of that section, adjusted to the site-specific plan;*

*“(III) emergency haying on certain practices, outside the primary nesting season, if payments are authorized for a county under the livestock forage disaster program under clause (ii) of section 1501(c)(3)(D) of the Agricultural Act of 2014 (7 U.S.C. 9081(c)(3)(D)), on not more than 50 percent of contract acres, as identified in the site-specific plan;*

*“(IV) grazing of all practices, outside the primary nesting season, if included as a mid-contract management practice under section 1232(a)(5);*

*“(V) the intermittent and seasonal use of vegetative buffer established under paragraphs (4) and (5) of section 1231(b) that are incidental to agricultural production on land adjacent to the buffer such that the permitted use—*

*“(aa) does not destroy the permanent vegetative cover; and*

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*“(bb) retains suitable vegetative structure for wildlife cover and shelter outside the primary nesting season; or*

*“(VI) grazing on all practices, outside the primary nesting season, if conducted by a beginning farmer or rancher; or*

*“(ii) with a 25 percent reduction in the annual rental rate for the acres covered by the authorized activity, including—*

*“(I) grazing not more frequently than every other year on the same land, except that during the primary nesting season, grazing shall be subject to a 50 percent reduction in the stocking rate specified in the site-specific plan;*

*“(II) grazing of all practices during the primary nesting season, with a 50 percent reduction in the stocking rate specified in the site-specific plan;*

*“(III) haying and other commercial use (including the managed harvesting of biomass and excluding the harvesting of vegetative cover), on the condition that the activity—*

*“(aa) is completed outside the primary nesting season;*

*“(bb) occurs not more than once every 3 years; and*

*“(cc) maintains 25 percent of the total contract acres unharvested, in accordance with a site-specific plan that provides for wildlife cover and shelter;*

*“(IV) annual grazing outside the primary nesting season if consistent with a site-specific plan that is authorized for the control of invasive species; and*

*“(V) the installation of wind turbines and associated access, except that in permitting the installation of wind turbines, the Secretary shall determine the number and location of wind turbines that may be installed, taking into account—*

*“(aa) the location, size, and other physical characteristics of the land;*

*“(bb) the extent to which the land contains threatened or endangered wildlife and wildlife habitat; and*

*“(cc) the purposes of the conservation reserve program under this subchapter.*

*“(2) CONDITIONS ON HAYING AND GRAZING.—*

*“(A) IN GENERAL.—The Secretary may permit haying or grazing in accordance with paragraph (1) on any land or practice subject to a contract under the conservation reserve program.*

*“(B) EXCEPTIONS.—*

*“(i) DAMAGE TO VEGETATIVE COVER.—Haying or grazing described in paragraph (1) shall not be permitted on land subject to a contract under the con-*

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*servation reserve program, or under a particular practice, if haying or grazing for that year under that practice, as applicable, would cause long-term damage to vegetative cover on that land.*

*“(ii) SPECIAL AGREEMENTS.—*

*“(I) IN GENERAL.—Except as provided in subclause (II), haying or grazing described in paragraph (1) shall not be permitted on—*

*“(aa) land covered by a contract enrolled under the State acres for wildlife enhancement program established by the Secretary; or*

*“(bb) land covered by a contract enrolled under a conservation reserve enhancement program established under section 1231A or the Conservation Reserve Enhancement Program established by the Secretary under this subchapter.*

*“(II) EXCEPTION.—Subclause (I) shall not apply to land on which haying or grazing is specifically permitted under the applicable conservation reserve enhancement program agreement or other partnership agreement entered into under this subchapter.”.*

*(c) NATURAL DISASTER OR ADVERSE WEATHER AS MID-CONTRACT MANAGEMENT.—Section 1233 of the Food Security Act of 1985 (16 U.S.C. 3833) is amended by adding at the end the following:*

*“(e) NATURAL DISASTER OR ADVERSE WEATHER AS MID-CONTRACT MANAGEMENT.—In the case of a natural disaster or adverse weather event that has the effect of a management practice consistent with the conservation plan, the Secretary shall not require further management practices pursuant to section 1232(a)(5) that are intended to achieve the same effect.”.*

**SEC. 2207. PAYMENTS.**

*(a) COST SHARING PAYMENTS.—Section 1234(b) of the Food Security Act of 1985 (16 U.S.C. 3834(b)) is amended—*

*(1) by striking paragraphs (2) through (4) and inserting the following:*

*“(2) LIMITATIONS.—*

*“(A) IN GENERAL.—The Secretary shall ensure, to the maximum extent practicable, that cost sharing payments to an owner or operator under this subchapter, when combined with the sum of payments from all other funding sources for measures and practices described in paragraph (1), do not exceed 100 percent of the total actual cost of establishing those measures and practices, as determined by the Secretary.*

*“(B) MID-CONTRACT MANAGEMENT GRAZING.—The Secretary may not make any cost sharing payment to an owner or operator under this subchapter pursuant to section 1232(a)(5).*

*“(C) SEED COST.—In the case of seed costs related to the establishment of cover, cost sharing payments under this subchapter shall not exceed 50 percent of the actual cost of the seed mixture, as determined by the Secretary.”;*

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(2) by redesignating paragraph (5) as paragraph (3);  
 (3) in paragraph (3) (as so redesignated), by striking “An owner” and inserting “Except in the case of incentive payments that are related to the cost of the establishment of a practice and received from eligible partners under the conservation reserve enhancement program under section 1231A, an owner”; and

(4) by adding at the end the following:

“(4) PRACTICE INCENTIVES FOR CONTINUOUS PRACTICES.—In addition to the cost sharing payment described in this subsection, the Secretary shall make an incentive payment to an owner or operator of land enrolled under section 1231(d)(6) in an amount not to exceed 50 percent of the actual cost of establishing all measures and practices described in paragraph (1), including seed costs related to the establishment of cover, as determined by the Secretary.”.

(b) INCENTIVE PAYMENTS.—Section 1234(c) of the Food Security Act of 1985 (16 U.S.C. 3834(c)) is amended—

(1) in the subsection heading, by striking “INCENTIVE” and inserting “FOREST MANAGEMENT INCENTIVE”;

(2) in paragraph (1), by striking “The Secretary” and inserting “Using funds made available under section 1241(a)(1)(A), the Secretary”; and

(3) in paragraph (2), by striking “150 percent” and inserting “100 percent”.

(c) ANNUAL RENTAL PAYMENTS.—Section 1234(d) of the Food Security Act of 1985 (16 U.S.C. 3834(d)) is amended—

(1) in paragraph (1)—

(A) by striking “the Secretary may consider, among other things, the amount” and inserting the following: “the Secretary shall consider—

“(A) the amount”;

(B) in subparagraph (A) (as so designated), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

“(B) the impact on the local farmland rental market; and

“(C) such other factors as the Secretary determines to be appropriate.”;

(2) in paragraph (2)—

(A) in subparagraph (A)—

(i) in clause (i), by striking “; or” and inserting a period;

(ii) by striking clause (ii); and

(iii) by striking “determined through—” in the matter preceding clause (i) and all that follows through “the submission of bids” in clause (i) and inserting “determined through the submission of applications”;

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

(C) by inserting after subparagraph (A) the following:

“(B) MULTIPLE ENROLLMENTS.—

“(i) IN GENERAL.—Subject to clause (ii), if land subject to a contract entered into under this subchapter is reenrolled under section 1231(h)(1) or has been pre-

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*viously enrolled in the conservation reserve, the annual rental payment shall be in an amount that is not more than 85 percent in the case of general enrollment contracts, or 90 percent in the case of continuous enrollment contracts, of the applicable estimated average county rental rate published pursuant to paragraph (4) for the year in which the reenrollment occurs.*

*“(ii) CONSERVATION RESERVE ENHANCEMENT PROGRAM.—The reduction in annual rental payments under clause (i) may be waived as part of the negotiation between the Secretary and an eligible partner to enter into a conservation reserve enhancement program agreement under section 1231A.”;*

*(D) in subparagraph (C) (as so redesignated), by striking “In the case” and inserting “Notwithstanding subparagraph (A), in the case”; and*

*(E) by adding at the end the following:*

*“(D) CONTINUOUS SIGN-UP INCENTIVES.—The Secretary shall make an incentive payment to the owner or operator of land enrolled under section 1231(d)(6) at the time of initial enrollment in an amount equal to 32.5 percent of the amount of the first annual rental payment under subparagraph (A).”;*

*(3) by striking paragraph (4);*

*(4) by redesignating paragraph (5) as paragraph (4); and*

*(5) in paragraph (4) (as so redesignated)—*

*(A) in subparagraph (A)—*

*(i) by striking “, not less frequently than once every other year,” and inserting “annually”; and*

*(ii) by inserting “, and shall publish the estimates derived from the survey not later than September 15 of each year” before the period at the end;*

*(B) in subparagraph (B), by inserting “and the average current and previous soil rental rates for each county” after “subparagraph (A)”;*

*(C) in subparagraph (C), by striking “may use” and inserting “shall consider”; and*

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

*“(D) SUBMISSION OF ADDITIONAL INFORMATION BY STATE FSA OFFICES AND CREP PARTNERS.—*

*“(i) IN GENERAL.—The Secretary shall provide an opportunity for State Committees of the Farm Service Agency or eligible partners (as defined in section 1231A(a)) in conservation reserve enhancement programs under section 1231A to propose an alternative soil rental rate prior to finalizing new rates, on the condition that documentation described in clause (ii) is provided to support the proposed alternative.*

*“(ii) ACCEPTABLE DOCUMENTATION.—Documentation referred to in clause (i) includes—*

*“(I) an average of cash rents from a random sample of lease agreements;*

*“(II) cash rent estimates from a published survey;*



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*“(III) neighboring county estimate comparisons from the National Agricultural Statistics Service;*

*“(IV) an average of cash rents from Farm Service Agency farm business plans;*

*“(V) models that estimate cash rents, such as models that use returns to estimate crop production or land value data; or*

*“(VI) other documentation, as determined by the Secretary.*

*“(iii) NOTIFICATION.—Not less than 14 days prior to the announcement of new or revised soil rental rates, the Secretary shall offer a briefing to the Chairman and Ranking Member of the Committee on Agriculture of the House of Representatives and the Chairman and Ranking Member of the Committee on Agriculture, Nutrition, and Forestry of the Senate, including information on and the rationale for the alternative rates proposed under clause (i) that were accepted or rejected.*

*“(E) RENTAL RATE LIMITATION.—Notwithstanding forest management incentive payments described in subsection (c), the county average soil rental rate (before any adjustments relating to specific practices, wellhead protection, or soil productivity) shall not exceed—*

*“(i) 85 percent of the estimated rental rate determined under this paragraph for general enrollment; or*

*“(ii) 90 percent of the estimated rental rate determined under this paragraph for continuous enrollment.”.*

*(d) PAYMENT LIMITATION FOR RENTAL PAYMENTS.—Section 1234(g) of the Food Security Act of 1985 (16 U.S.C. 3834(g)) is amended—*

*(1) in paragraph (1), by striking “The total” and inserting “Except as provided in paragraph (2), the total”; and*

*(2) by striking paragraph (2) and inserting the following:*

*“(2) WELLHEAD PROTECTION.—Paragraph (1) and section 1001D(b) shall not apply to rental payments received by a rural water district or association for land that is enrolled under this subchapter for the purpose of protecting a wellhead.”.*

**SEC. 2208. CONTRACTS.**

*(a) TRANSITION OPTION FOR CERTAIN FARMERS OR RANCHERS.—Section 1235(f) of the Food Security Act of 1985 (16 U.S.C. 3835(f)) is amended—*

*(1) in paragraph (1)—*

*(A) in the matter preceding subparagraph (A), by striking “retired farmer or rancher” and inserting “contract holder”;*

*(B) by striking “retired or retiring owner or operator” each place it appears and inserting “contract holder”;*

*(C) in subparagraph (A), in the matter preceding clause (i), by striking “1 year” and inserting “2 years”;*

*(D) in subparagraph (B), by inserting “, including a lease with a term of less than 5 years and an option to purchase” after “option to purchase”;*

*(E) in subparagraph (D), by striking “; and” and inserting a semicolon;*



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(F) by redesignating subparagraph (E) as subparagraph (F); and

(G) by inserting after subparagraph (D) the following:

“(E) give priority to the enrollment of the land covered by the contract in—

“(i) the environmental quality incentives program established under subchapter A of chapter 4;

“(ii) the conservation stewardship program established under subchapter B of chapter 4; or

“(iii) the agricultural conservation easement program established under subtitle H; and”;

(2) in paragraph (2)—

(A) in the matter preceding subparagraph (A), by striking “The Secretary” and inserting “To the extent that the maximum number of acres permitted to be enrolled under the conservation reserve program has not been met, the Secretary”; and

(B) by striking subparagraph (A) and inserting the following:

“(A)(i) is carried out on land described in paragraph (4) or (5) of section 1231(b); and

“(ii) is eligible for continuous enrollment under section 1231(d)(6); and”.

(b) **END OF CONTRACT CONSIDERATIONS.**—Section 1235(g) of the Food Security Act of 1985 (16 U.S.C. 3835(g)) is amended to read as follows:

“(g) **END OF CONTRACT CONSIDERATIONS.**—The Secretary shall not consider an owner or operator to be in violation of a term or condition of the conservation reserve contract if—

“(1) during the year prior to expiration of the contract, the owner or operator—

“(A)(i) enters into a contract under the environmental quality incentives program established under subchapter A of chapter 4; and

“(ii) begins the establishment of a practice under that contract; or

“(B)(i) enters into a contract under the conservation stewardship program established under subchapter B of chapter 4; and

“(ii) begins the establishment of a practice under that contract; or

“(2) during the 3 years prior to the expiration of the contract, the owner or operator begins the certification process under the Organic Foods Production Act of 1990 (7 U.S.C. 6501 et seq.).”.

**SEC. 2209. ELIGIBLE LAND; STATE LAW REQUIREMENTS.**

The Secretary shall revise paragraph (4) of section 1410.6(d) of title 7, Code of Federal Regulations, to provide that land enrolled under a Conservation Reserve Enhancement Program agreement initially established before January 1, 2014 (including an amended or successor Conservation Reserve Enhancement Program agreement, as determined by the Secretary), shall not be ineligible for enrollment in the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) under that paragraph if the

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*Deputy Administrator (as defined in section 1410.2(b) of title 7, Code of Federal Regulations (or successor regulations)), on recommendation from and in consultation with the applicable State technical committee established under section 1261(a) of the Food Security Act of 1985 (16 U.S.C. 3861(a)) determines, under such terms and conditions as the Deputy Administrator, in consultation with the State technical committee, determines to be appropriate, that making that land eligible for enrollment in that program is not contrary to the purposes of that program.*

### **Subtitle C—Environmental Quality Incentives Program and Conservation Stewardship Program**

#### **SEC. 2301. REPEAL OF CONSERVATION PROGRAMS.**

*(a) IN GENERAL.—Chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) is amended—*

*(1) by striking the chapter designation and heading and inserting the following:*

#### **“CHAPTER 4—ENVIRONMENTAL QUALITY INCENTIVES PROGRAM AND CONSERVATION STEWARDSHIP PROGRAM**

**“Subchapter A—Environmental Quality Incentives Program”;**  
**and**

*(2) by inserting after section 1240H the following:*

#### **“Subchapter B—Conservation Stewardship Program”.**

*(b) CONSERVATION STEWARDSHIP PROGRAM.—Subchapter B of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838d et seq.) is amended—*

*(1) by redesignating sections 1238D through 1238G as sections 1240I through 1240L, respectively; and*

*(2) by moving sections 1240I through 1240L (as so redesignated) so as to appear after the subchapter heading for subchapter B of chapter 4 of subtitle D of title XII of that Act (as added by subsection (a)(2)).*

*(c) REPEAL.—*

*(1) IN GENERAL.—Chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838 et seq.) (as amended by subsection (b)) is repealed.*

*(2) TERMINATION OF CONSERVATION STEWARDSHIP PROGRAM.—Effective on the date of enactment of this Act, the conservation stewardship program under subchapter B of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838d et seq.) (as in effect on the day before the date of enactment of this Act) shall cease to be effective.*

*(3) TRANSITIONAL PROVISIONS.—*

*(A) EFFECT ON EXISTING CONTRACTS AND AGREEMENTS.—The cessation of effectiveness under paragraph (2) shall not affect—*

(i) the validity or terms of any contract entered into by the Secretary under subchapter B of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838d et seq.) before the date of enactment of this Act, or any payments, modifications, or technical assistance required to be made in connection with the contract; or

(ii) subject to subparagraph (D), any agreement entered into by the Secretary under the regional conservation partnership program under subtitle I of title XII of the Food Security Act of 1985 (16 U.S.C. 3871 et seq.) on or before September 30, 2018, under which conservation stewardship program acres and associated funding have been allocated to the agreement for the purpose of entering into a contract under subchapter B of chapter 2 of subtitle D of title XII of that Act (16 U.S.C. 3838d et seq.) (as in effect on the day before the date of enactment of this Act).

(B) *EXTENSION PERMITTED.*—Notwithstanding paragraph (2), the Secretary may extend for 1 year a contract described in subparagraph (A)(i) if that contract expires on or before December 31, 2019, under the terms and payment rate of the existing contract and in accordance with subchapter B of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838d et seq.) (as in effect on the day before the date of enactment of this Act).

(C) *RENEWAL NOT PERMITTED.*—

(i) *IN GENERAL.*—Notwithstanding subparagraph (A), and subject to clause (ii), the Secretary may not renew a contract or agreement described in that subparagraph.

(ii) *EXCEPTION.*—The Secretary may renew a contract described in subparagraph (A)(i)—

(I) if that contract expires on or after December 31, 2019;

(II) under the terms of the conservation stewardship program under subchapter B of chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (as added by subsections (a)(2) and (b)); and

(III) subject to the limitation on funding for that subchapter under section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841).

(D) *RCPP CONTRACTS.*—

(i) *TREATMENT OF ACREAGE.*—In the case of an agreement described in subparagraph (A)(ii), the Secretary may provide an amount of funding that is equivalent to the value of any acres covered by the agreement.

(ii) *FUNDS AND ACRES NOT OBLIGATED.*—In the case of an agreement described in subparagraph (A)(ii) to which program acres and associated funding have been allocated but not yet obligated to enter into a contract under subchapter B of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C.

3838d et seq.) (as in effect on the day before the date of enactment of this Act)—

(I) the Secretary shall modify the agreement to authorize the entrance into a contract under subchapter B of chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (as added by subsections (a)(2) and (b)); and

(II) the funds associated with the conservation stewardship program acres allocated under that agreement, on modification under subclause (I), may be used to enter into conservation stewardship program contracts with producers under subchapter B of chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (as added by subsections (a)(2) and (b)).

(4) **CONTRACT ADMINISTRATION.**—Subject to paragraphs (3)(C) and (3)(D)(ii)(II), the Secretary shall administer each contract and agreement described in clauses (i) and (ii) of paragraph (3)(A) until the expiration of the contract or agreement in accordance with the regulations to carry out the conservation stewardship program under subchapter B of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838d et seq.) (as in effect on the day before the date of enactment of this Act) that are in effect on the day before that date of enactment.

(5) **FUNDING.**—Notwithstanding paragraphs (1) and (2), any funds made available from the Commodity Credit Corporation under section 1241(a)(4) of the Food Security Act of 1985 (16 U.S.C. 3841(a)(4)) for fiscal years 2014 through 2018 shall be available to carry out—

(A) any contract or agreement described in paragraph (3)(A)(i) for fiscal year 2019;

(B) any contract or agreement described in paragraph (3)(A)(ii);

(C) any contract extended under paragraph (3)(B); and

(D) any contract or agreement under subchapter B of chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (as added by subsections (a)(2) and (b)).

(d) **CONFORMING AMENDMENTS.**—

(1) **FOOD SECURITY ACT OF 1985.**—

(A) Section 1211(a)(3)(A) of the Food Security Act of 1985 (16 U.S.C. 3811(a)(3)(A)) is amended by inserting “subchapter A of” before “chapter 4”.

(B) Section 1221(b)(3)(A) of the Food Security Act of 1985 (16 U.S.C. 3821(b)(3)(A)) is amended by inserting “subchapter A of” before “chapter 4”.

(C) Section 1240J(b)(1) of the Food Security Act of 1985 (as redesignated by subsection (b)(1)) is amended by striking subparagraph (C).

(D) Section 1240 of the Food Security Act of 1985 (16 U.S.C. 3839aa) is amended in the matter preceding paragraph (1) by striking “chapter” and inserting “subchapter”.

(E) Section 1240A of the Food Security Act of 1985 (16 U.S.C. 3839aa–1) is amended by striking “chapter” each place it appears and inserting “subchapter”.

(F) Section 1240B(i)(2)(B) of the Food Security Act of 1985 (16 U.S.C. 3839aa-2(i)(2)(B)) is amended by striking “chapter” and inserting “subchapter”.

(G) Section 1240C(b) of the Food Security Act of 1985 (16 U.S.C. 3839aa-3(b)) is amended in the matter preceding paragraph (1) by striking “chapter” and inserting “subchapter”.

(H) Section 1240E(b)(2) of the Food Security Act of 1985 (16 U.S.C. 3839aa-5(b)(2)) is amended by striking “chapter” and inserting “subchapter”.

(I) Section 1240G of the Food Security Act of 1985 (16 U.S.C. 3839aa-7) is amended by striking “chapter” each place it appears and inserting “subchapter”.

(J) Section 1240H of the Food Security Act of 1985 (16 U.S.C. 3839aa-8) is amended by striking “chapter” each place it appears and inserting “subchapter”.

(K) Section 1244(c)(3) of the Food Security Act of 1985 (16 U.S.C. 3844(c)(3)) is amended by inserting “subchapter A of” before “chapter 4”.

(L) Section 1244(l) of the Food Security Act of 1985 (16 U.S.C. 3844(l)) is amended—

(i) by striking “chapter 2” and inserting “chapter 4”; and

(ii) by inserting “subchapter A of” after “incentives program under”.

(2) OTHER LAWS.—

(A) Section 344(f)(8) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1344(f)(8)) is amended by inserting “subchapter A of” before “chapter 4”.

(B) Section 377 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1377) is amended by inserting “subchapter A of” before “chapter 4”.

(C) Paragraph (1) of the last proviso of the matter under the heading “CONSERVATION RESERVE PROGRAM” under the heading “SOIL BANK PROGRAMS” of title I of the Department of Agriculture and Farm Credit Administration Appropriation Act, 1959 (7 U.S.C. 1831a), is amended by inserting “subchapter A of” before “chapter 4”.

(D) Section 8(b)(1) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)(1)) is amended by inserting “subchapter A of” before “chapter 4”.

(E) Section 1271(c)(3)(C) of the Food, Agriculture, Conservation, and Trade Act of 1990 (16 U.S.C. 2106a(c)(3)(C)) is amended by inserting “subchapter A of” before “chapter 4”.

(F) Section 304(a)(1) of the Lake Champlain Special Designation Act of 1990 (33 U.S.C. 1270 note; Public Law 101-596) is amended by inserting “subchapter A of” before “chapter 4”.

(G) Section 202(c) of the Colorado River Basin Salinity Control Act (43 U.S.C. 1592(c)) is amended by inserting “subchapter A of” before “chapter 4”.



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**SEC. 2302. PURPOSES OF ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.**

Section 1240 of the Food Security Act of 1985 (16 U.S.C. 3839aa) is amended by striking paragraph (4) and inserting the following:

*“(4) assisting producers to make beneficial, cost-effective changes to production systems, including addressing identified, new, or expected resource concerns related to organic production, grazing management, fuels management, forest management, nutrient management associated with crops and livestock, pest management, irrigation management, adapting to, and mitigating against, increasing weather volatility, drought resiliency measures, or other practices on agricultural and forested land.”.*

**SEC. 2303. DEFINITIONS UNDER ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.**

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

(1) by redesignating paragraphs (1), (2), (3), (4) and (5) as paragraphs (2), (4), (5), (6), and (8), respectively;

(2) by inserting before paragraph (2) (as so redesignated) the following:

*“(1) CONSERVATION PLANNING ASSESSMENT.—The term ‘conservation planning assessment’ means a report, as determined by the Secretary, that—*

*“(A) is developed by—*

*“(i) a State or unit of local government (including a conservation district);*

*“(ii) a Federal agency; or*

*“(iii) a third-party provider certified under section 1242(e) (including a certified rangeland professional);*

*“(B) assesses rangeland or cropland function and describes conservation activities to enhance the economic and ecological management of that land; and*

*“(C) can be incorporated into a comprehensive planning document required by the Secretary for enrollment in a conservation program of the Department of Agriculture.”;*

(3) in paragraph (2) (as so redesignated), in subparagraph (B)(vi)—

(A) by inserting “environmentally sensitive areas,” after “marshes,”; and

(B) by inserting “identified or expected” before “resource concerns”;

(4) by inserting after paragraph (2) (as so redesignated) the following:

*“(3) INCENTIVE PRACTICE.—The term ‘incentive practice’ means a practice or set of practices approved by the Secretary that, when implemented and maintained on eligible land, address 1 or more priority resource concerns.”;*

(5) in paragraph (6) (as so redesignated)—

(A) in subparagraph (A)—

(i) in clause (iv), by striking “and” at the end;

(ii) by redesignating clause (v) as clause (vii); and

(iii) by inserting after clause (iv) the following:

*“(v) soil testing;*



“(vi) soil remediation to be carried out by the producer; and”; and

(B) in subparagraph (B)—

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

(ii) by redesignating clause (ii) as clause (vi); and

(iii) by inserting after clause (i) the following:

“(ii) planning for resource-conserving crop rotations (as defined in section 1240L(d)(1));

“(iii) soil health planning, including increasing soil organic matter and the use of cover crops;

“(iv) a conservation planning assessment;

“(v) precision conservation management planning; and”;

(6) by inserting after paragraph (6) (as so redesignated) the following:

“(7) **PRIORITY RESOURCE CONCERN.**—The term ‘priority resource concern’ means a natural resource concern or problem, as determined by the Secretary, that—

“(A) is identified at the national, State, or local level as a priority for a particular area of a State; and

“(B) represents a significant concern in a State or region.”; and

(7) by adding at the end the following:

“(9) **SOIL REMEDIATION.**—The term ‘soil remediation’ means scientifically based practices that—

“(A) ensure the safety of producers from contaminants in soil;

“(B) limit contaminants in soil from entering agricultural products for human or animal consumption; and

“(C) regenerate and sustain the soil.

“(10) **SOIL TESTING.**—The term ‘soil testing’ means the evaluation of soil health, including testing for—

“(A) the optimal level of constituents in the soil, such as organic matter, nutrients, and the potential presence of soil contaminants, including heavy metals, volatile organic compounds, polycyclic aromatic hydrocarbons, or other contaminants; and

“(B) the biological and physical characteristics indicative of proper soil functioning.”.

**SEC. 2304. ESTABLISHMENT AND ADMINISTRATION OF ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.**

(a) **ESTABLISHMENT.**—Section 1240B(a) of the Food Security Act of 1985 (16 U.S.C. 3839aa–2(a)) is amended by striking “2019” and inserting “2023”.

(b) **PAYMENTS.**—Section 1240B(d) of the Food Security Act of 1985 (16 U.S.C. 3839aa–2(d)) is amended—

(1) in paragraph (4)(B)—

(A) in clause (i)—

(i) by striking “Not more than” and inserting “On an election by a producer described in subparagraph (A), the Secretary shall provide at least”;

(ii) by striking “may be provided”; and

(iii) by striking “the purpose of” and inserting “all costs related to”; and

(B) by adding at the end the following:

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“(iii) NOTIFICATION AND DOCUMENTATION.—The Secretary shall—

“(I) notify each producer described in subparagraph (A), at the time of enrollment in the program, of the option to receive advance payments under clause (i); and

“(II) document the election of each producer described in subparagraph (A) to receive advance payments under clause (i) with respect to each practice that has costs described in that clause.”; and

(2) by adding at the end the following:

“(7) INCREASED PAYMENTS FOR HIGH-PRIORITY PRACTICES.—

“(A) STATE DETERMINATION.—Each State, in consultation with the State technical committee established under section 1261(a) for the State, may designate not more than 10 practices to be eligible for increased payments under subparagraph (B), on the condition that the practice, as determined by the Secretary—

“(i) addresses specific causes of impairment relating to excessive nutrients in groundwater or surface water;

“(ii) addresses the conservation of water to advance drought mitigation and declining aquifers;

“(iii) meets other environmental priorities and other priority resource concerns identified in habitat or other area restoration plans; or

“(iv) is geographically targeted to address a natural resource concern in a specific watershed.

“(B) INCREASED PAYMENTS.—Notwithstanding paragraph (2), in the case of a practice designated under subparagraph (A), the Secretary may increase the amount that would otherwise be provided for a practice under this subsection to not more than 90 percent of the costs associated with planning, design, materials, equipment, installation, labor, management, maintenance, or training.”.

(c) ALLOCATION OF FUNDING.—Section 1240B(f) of the Food Security Act of 1985 (16 U.S.C. 3839aa-2(f)) is amended—

(1) in paragraph (1)—

(A) by striking “2014 through 2018” and inserting “2019 through 2023”;

(B) by striking “60” and inserting “50”; and

(C) by striking “production.” and inserting “production, including grazing management practices.”; and

(2) in paragraph (2)—

(A) by striking “For each” and inserting the following:

“(A) FISCAL YEARS 2014 THROUGH 2018.—For each”; and

(B) by adding at the end the following:

“(B) FISCAL YEARS 2019 THROUGH 2023.—For each of fiscal years 2019 through 2023, at least 10 percent of the funds made available for payments under the program shall be targeted at practices benefitting wildlife habitat under subsection (g).”.

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(d) *WILDLIFE HABITAT INCENTIVE PROGRAM.*—Section 1240B(g) of the Food Security Act of 1985 (16 U.S.C. 3839aa–2(g)) is amended by adding at the end the following:

“(3) *MAXIMUM TERM.*—In the case of a contract under the program entered into solely for the establishment of 1 or more annual management practices for the benefit of wildlife as described in paragraph (1), notwithstanding any maximum contract term established by the Secretary, the contract shall have a term that does not exceed 10 years.

“(4) *INCLUDED PRACTICES.*—For the purpose of providing seasonal wetland habitat for waterfowl and migratory birds, a practice that is eligible for payment under paragraph (1) and targeted for funding under subsection (f) may include—

“(A) a practice to carry out postharvest flooding; or

“(B) a practice to maintain the hydrology of temporary and seasonal wetlands of not more than 2 acres to maintain waterfowl and migratory bird habitat on working cropland.”.

(e) *WATER CONSERVATION OR IRRIGATION EFFICIENCY PRACTICE.*—Section 1240B(h) of the Food Security Act of 1985 (16 U.S.C. 3839aa–2(h)) is amended—

(1) by striking paragraph (1) and inserting the following:

“(1) *AVAILABILITY OF PAYMENTS.*—The Secretary may provide water conservation and system efficiency payments under this subsection to an entity described in paragraph (2) or a producer for—

“(A) water conservation scheduling, water distribution efficiency, soil moisture monitoring, or an appropriate combination thereof;

“(B) irrigation-related structural or other measures that conserve surface water or groundwater, including managed aquifer recovery practices; or

“(C) a transition to water-conserving crops, water-conserving crop rotations, or deficit irrigation.”;

(2) by redesignating paragraph (2) as paragraph (3);

(3) by inserting after paragraph (1) the following:

“(2) *ELIGIBILITY OF CERTAIN ENTITIES.*—

“(A) *IN GENERAL.*—Notwithstanding section 1001(f)(6), the Secretary may enter into a contract under this subsection with a State, irrigation district, groundwater management district, acequia, land-grant mercedes, or similar entity under a streamlined contracting process to implement water conservation or irrigation practices under a watershed-wide project that will effectively conserve water, provide fish and wildlife habitat, or provide for drought-related environmental mitigation, as determined by the Secretary.

“(B) *IMPLEMENTATION.*—Water conservation or irrigation practices that are the subject of a contract entered into under subparagraph (A) shall be implemented on—

“(i) eligible land of a producer; or

“(ii) land that is—

“(I) under the control of an irrigation district, groundwater management district, acequia, land-grant mercedes, or similar entity; and

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*“(II) adjacent to eligible land described in clause (i), as determined by the Secretary.*

*“(C) WAIVER AUTHORITY.—The Secretary may waive the applicability of the limitations in section 1001D(b) or section 1240G for a payment made under a contract entered into under this paragraph if the Secretary determines that the waiver is necessary to fulfill the objectives of the project.*

*“(D) CONTRACT LIMITATIONS.—If the Secretary grants a waiver under subparagraph (C), the Secretary may impose a separate payment limitation for the contract with respect to which the waiver applies.”;*

*(4) in paragraph (3) (as so redesignated)—*

*(A) in the matter preceding subparagraph (A), by striking “to a producer” and inserting “under this subsection”;*

*(B) in subparagraph (A), by striking “the eligible land of the producer is located, there is a reduction in water use in the operation of the producer” and inserting “the land on which the practices will be implemented is located, there is a reduction in water use in the operation on that land”;*  
and

*(C) in subparagraph (B), by inserting “except in the case of an application under paragraph (2),” before “the producer agrees”;* and

*(5) by adding at the end the following:*

*“(4) EFFECT.—Nothing in this subsection authorizes the Secretary to modify the process for determining the annual allocation of funding to States under the program.”.*

*(f) PAYMENTS FOR CONSERVATION PRACTICES RELATED TO ORGANIC PRODUCTION.—Section 1240B(i)(3) of the Food Security Act of 1985 (16 U.S.C. 3839aa–2(i)(3)) is amended—*

*(1) in the first sentence, by striking “Payments” and inserting the following:*

*“(A) IN GENERAL.—Payments”;*

*(2) in the second sentence, by striking “In applying these limitations” and inserting the following:*

*“(B) TECHNICAL ASSISTANCE.—In applying the limitations under subparagraph (A)”;* and

*(3) in subparagraph (A) (as so designated)—*

*(A) by striking “aggregate, \$20,000 per year or \$80,000 during any 6-year period.” and inserting the following: “aggregate—*

*“(i) through fiscal year 2018—*

*“(I) \$20,000 per year; or*

*“(II) \$80,000 during any 6-year period; and”;*

*and*

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

*“(ii) during the period of fiscal years 2019 through 2023, \$140,000.”.*

*(g) CONSERVATION INCENTIVE CONTRACTS.—Section 1240B of the Food Security Act of 1985 (16 U.S.C. 3839aa–2) is amended by adding at the end the following:*

*“(j) CONSERVATION INCENTIVE CONTRACTS.—*

*“(1) IDENTIFICATION OF ELIGIBLE PRIORITY RESOURCE CONCERNS FOR STATES.—*

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*“(A) IN GENERAL.—The Secretary, in consultation with the applicable State technical committee established under section 1261(a), shall identify watersheds (or other appropriate regions or areas within a State) and the corresponding priority resource concerns for those watersheds or other regions or areas that are eligible to be the subject of an incentive contract under this subsection.*

*“(B) LIMITATION.—For each of the relevant land uses within the watersheds, regions, or other areas identified under subparagraph (A), the Secretary shall identify not more than 3 eligible priority resource concerns.*

*“(2) CONTRACTS.—*

*“(A) AUTHORITY.—*

*“(i) IN GENERAL.—The Secretary shall enter into contracts with producers under this subsection that require the implementation, adoption, management, and maintenance of incentive practices that effectively address at least 1 eligible priority resource concern identified under paragraph (1) for the term of the contract.*

*“(ii) INCLUSIONS.—Through a contract entered into under clause (i), the Secretary may provide—*

*“(I) funding, through annual payments, for certain incentive practices to attain increased levels of conservation on eligible land; or*

*“(II) assistance, through a practice payment, to implement an incentive practice.*

*“(B) TERM.—A contract under this subsection shall have a term of not less than 5, and not more than 10, years.*

*“(C) PRIORITIZATION.—Notwithstanding section 1240C, the Secretary shall develop criteria for evaluating incentive practice applications that—*

*“(i) give priority to applications that address eligible priority resource concerns identified under paragraph (1); and*

*“(ii) evaluate applications relative to other applications for similar agriculture and forest operations.*

*“(3) INCENTIVE PRACTICE PAYMENTS.—*

*“(A) IN GENERAL.—The Secretary shall provide payments to producers through contracts entered into under paragraph (2) for—*

*“(i) adopting and installing incentive practices; and*

*“(ii) managing, maintaining, and improving the incentive practices for the duration of the contract, as determined appropriate by the Secretary.*

*“(B) PAYMENT AMOUNTS.—In determining the amount of payments under subparagraph (A), the Secretary shall consider, to the extent practicable—*

*“(i) the level and extent of the incentive practice to be installed, adopted, completed, maintained, managed, or improved;*

*“(ii) the cost of the installation, adoption, completion, management, maintenance, or improvement of the incentive practice;*



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“(iii) income foregone by the producer, including payments, as appropriate, to address—

“(I) increased economic risk;

“(II) loss in revenue due to anticipated reductions in yield; and

“(III) economic losses during transition to a resource-conserving cropping system or resource-conserving land use; and

“(iv) the extent to which compensation would ensure long-term continued maintenance, management, and improvement of the incentive practice.

“(C) DELIVERY OF PAYMENTS.—In making payments under subparagraph (A), the Secretary shall, to the extent practicable—

“(i) in the case of annual payments under paragraph (2)(A)(ii)(I), make those payments as soon as practicable after October 1 of each fiscal year for which increased levels of conservation are maintained during the term of the contract; and

“(ii) in the case of practice payments under paragraph (2)(A)(ii)(II), make those payments as soon as practicable on the implementation of an incentive practice.”.

**SEC. 2305. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM PLAN.**

Section 1240E(a)(3) of the Food Security Act of 1985 (16 U.S.C. 3839aa–5(a)(3)) is amended by inserting “progressive” before “implementation”.

**SEC. 2306. LIMITATION ON PAYMENTS UNDER ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.**

Section 1240G of the Food Security Act of 1985 (16 U.S.C. 3839aa–7) is amended—

(1) by striking “A person” and inserting “Not including payments made under section 1240B(j), a person”; and

(2) by inserting “or the period of fiscal years 2019 through 2023,” after “2018,”.

**SEC. 2307. CONSERVATION INNOVATION GRANTS AND PAYMENTS.**

(a) COMPETITIVE GRANTS FOR INNOVATIVE CONSERVATION APPROACHES.—Section 1240H(a)(2) of the Food Security Act of 1985 (16 U.S.C. 3839aa–8(a)(2)) is amended—

(1) in subparagraph (A), by striking “program,” and inserting “program or community colleges (as defined in section 1473E(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319e(a))) carrying out demonstration projects on land of the community college;”;

(2) by redesignating subparagraphs (E) and (F) as subparagraphs (G) and (H), respectively; and

(3) by inserting after subparagraph (D) the following:

“(E) partner with farmers to develop innovative practices for urban, indoor, or other emerging agricultural operations;

“(F) utilize edge-of-field and other monitoring practices on farms—

“(i) to quantify the impacts of practices implemented under the program; and



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“(ii) to assist producers in making the best conservation investments for the operations of the producers;”.

(b) *AIR QUALITY CONCERNS FROM AGRICULTURAL OPERATIONS.*—Section 1240H(b)(2) of the Food Security Act of 1985 (16 U.S.C. 3839aa–8(b)(2)) is amended by striking “\$25,000,000 for each of fiscal years 2009 through 2018” and inserting “\$37,500,000 for each of fiscal years 2019 through 2023”.

(c) *ON-FARM CONSERVATION INNOVATION TRIALS; REPORTING AND DATABASE.*—Section 1240H of the Food Security Act of 1985 (16 U.S.C. 3839aa–8) is amended by striking subsection (c) and inserting the following:

“(c) *ON-FARM CONSERVATION INNOVATION TRIALS.*—

“(1) *DEFINITIONS.*—In this subsection:

“(A) *ELIGIBLE ENTITY.*—The term ‘eligible entity’ means, as determined by the Secretary—

“(i) a third-party private entity the primary business of which is related to agriculture;

“(ii) a nongovernmental organization with experience working with agricultural producers; or

“(iii) a governmental organization.

“(B) *NEW OR INNOVATIVE CONSERVATION APPROACH.*—The term ‘new or innovative conservation approach’ means—

“(i) new or innovative—

“(I) precision agriculture technologies;

“(II) enhanced nutrient management plans, nutrient recovery systems, and fertilization systems;

“(III) soil health management systems, including systems to increase soil carbon levels;

“(IV) water management systems;

“(V) resource-conserving crop rotations (as defined in section 1240L(d)(1));

“(VI) cover crops; and

“(VII) irrigation systems; and

“(ii) any other conservation approach approved by the Secretary as new or innovative.

“(2) *TESTING NEW OR INNOVATIVE CONSERVATION APPROACHES.*—Using \$25,000,000 of the funds made available to carry out this subchapter for each of fiscal years 2019 through 2023, the Secretary shall carry out on-farm conservation innovation trials, on eligible land of producers, to test new or innovative conservation approaches—

“(A) directly with producers; or

“(B) through eligible entities.

“(3) *INCENTIVE PAYMENTS.*—

“(A) *AGREEMENTS.*—In carrying out paragraph (2), the Secretary shall enter into agreements with producers (either directly or through eligible entities) on whose land an on-farm conservation innovation trial is being carried out to provide payments (including payments to compensate for foregone income, as appropriate to address the increased economic risk potentially associated with new or innovative conservation approaches) to the producers to assist with

*adopting and evaluating new or innovative conservation approaches to achieve conservation benefits.*

*“(B) ADJUSTED GROSS INCOME REQUIREMENTS.—*

*“(i) IN GENERAL.—Adjusted gross income requirements under section 1001D(b)(1) shall—*

*“(I) apply to producers receiving payments under this subsection; and*

*“(II) be enforced by the Secretary.*

*“(ii) REPORTING.—An eligible entity participating in an on-farm conservation innovation trial under this subsection shall report annually to the Secretary on the amount of payments made to individual farm operations under this subsection.*

*“(C) LIMITATION ON ADMINISTRATIVE EXPENSES.—None of the funds made available to carry out this subsection may be used to pay for the administrative expenses of an eligible entity.*

*“(D) LENGTH OF AGREEMENTS.—An agreement entered into under subparagraph (A) shall be for a period determined by the Secretary that is—*

*“(i) not less than 3 years; and*

*“(ii) if appropriate, more than 3 years, including if such a period is appropriate to support—*

*“(I) adaptive management over multiple crop years; and*

*“(II) adequate data collection and analysis by a producer or eligible entity to report the natural resource and agricultural production benefits of the new or innovative conservation approaches to the Secretary.*

*“(4) FLEXIBLE ADOPTION.—The scale of adoption of a new or innovative conservation approach under an on-farm conservation innovation trial under an agreement under paragraph (2) may include multiple scales on an operation, including whole farm, field-level, or sub-field scales.*

*“(5) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance—*

*“(A) to each producer or eligible entity participating in an on-farm conservation innovation trial under paragraph (2) with respect to the design, installation, and management of the new or innovative conservation approaches; and*

*“(B) to each eligible entity participating in an on-farm conservation innovation trial under paragraph (2) with respect to data analyses of the on-farm conservation innovation trial.*

*“(6) GEOGRAPHIC SCOPE.—The Secretary shall identify a diversity of geographic regions of the United States in which to establish on-farm conservation innovation trials under paragraph (2), taking into account factors such as soil type, cropping history, and water availability.*

*“(7) SOIL HEALTH DEMONSTRATION TRIAL.—Using funds made available to carry out this subsection, the Secretary shall carry out a soil health demonstration trial under which the Secretary coordinates with eligible entities—*

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“(A) to provide incentives to producers to implement conservation practices that—

“(i) improve soil health;

“(ii) increase carbon levels in the soil; or

“(iii) meet the goals described in clauses (i) and

(ii);

“(B) to establish protocols for measuring carbon levels in the soil and testing carbon levels on land where conservation practices described in subparagraph (A) were applied to evaluate gains in soil health as a result of the practices implemented by the producers in the soil health demonstration trial; and

“(C)(i) not later than September 30, 2020, to initiate a study regarding changes in soil health and, if feasible, economic outcomes, generated as a result of the conservation practices described in subparagraph (A) that were applied by producers through the soil health demonstration trial; and

“(ii) to submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate annual reports on the progress and results of the study under clause (i).

“(d) REPORTING AND DATABASE.—

“(1) REPORT REQUIRED.—Not later than September 30, 2019, and every 2 years thereafter, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the status of activities funded under this section, including—

“(A) funding awarded;

“(B) results of the activities, including, if feasible, economic outcomes;

“(C) incorporation of findings from the activities, such as new technology and innovative approaches, into the conservation efforts implemented by the Secretary; and

“(D) on completion of the study required under subsection (c)(7)(C), the findings of the study.

“(2) CONSERVATION PRACTICE DATABASE.—

“(A) IN GENERAL.—The Secretary shall use the data reported under paragraph (1) to establish and maintain a publicly available conservation practice database that provides—

“(i) a compilation and analysis of effective conservation practices for soil health, nutrient management, and source water protection in varying soil compositions, cropping systems, slopes, and landscapes; and

“(ii) a list of recommended new and effective conservation practices.

“(B) PRIVACY.—Information provided under subparagraph (A) shall be transformed into a statistical or aggregate form so as to not include any identifiable or personal information of individual producers.”

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**SEC. 2308. CONSERVATION STEWARDSHIP PROGRAM.**

(a) *DEFINITIONS.*—Section 1240I of the Food Security Act of 1985 (as redesignated by section 2301(b)) is amended—

(1) in paragraph (2)(B)—

(A) in clause (i), by striking “and” at the end;

(B) in clause (ii), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

“(iii) development of a comprehensive conservation plan, as defined in section 1240L(e)(1);

“(iv) soil health planning, including planning to increase soil organic matter; and

“(v) activities that will assist a producer to adapt to, or mitigate against, increasing weather volatility.”; and

(2) in paragraph (7), by striking the period at the end and inserting the following: “through the use of—

“(A) quality criteria under a resource management system;

“(B) predictive analytics tools or models developed or approved by the Natural Resources Conservation Service;

“(C) data from past and current enrollment in the program; and

“(D) other methods that measure conservation and improvement in priority resource concerns, as determined by the Secretary.”.

(b) *CONSERVATION STEWARDSHIP PROGRAM.*—

(1) *ESTABLISHMENT.*—Subsection (a) of section 1240J of the Food Security Act of 1985 (as redesignated by section 2301(b)) is amended in the matter preceding paragraph (1) by striking “2014 through 2018” and inserting “2019 through 2023”.

(2) *EXCLUSIONS.*—Subsection (b)(2) of section 1240J of the Food Security Act of 1985 (as redesignated by section 2301(b)) is amended in the matter preceding paragraph (1) by striking “the Agricultural Act of 2014” and inserting the “Agriculture Improvement Act of 2018”.

(c) *STEWARDSHIP CONTRACTS.*—Section 1240K of the Food Security Act of 1985 (as redesignated by section 2301(b)) is amended—

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

“(1) *RANKING OF APPLICATIONS.*—

“(A) *IN GENERAL.*—In evaluating contract offers submitted under subsection (a) and contract renewals under subsection (e), the Secretary shall rank applications based on—

“(i) the natural resource conservation and environmental benefits that result from the conservation treatment on all applicable priority resource concerns at the time of submission of the application;

“(ii) the degree to which the proposed conservation activities increase natural resource conservation and environmental benefits; and

“(iii) other consistent criteria, as determined by the Secretary.

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*“(B) ADDITIONAL CRITERION.—If 2 or more applications receive the same ranking under subparagraph (A), the Secretary shall rank those contracts based on the extent to which the actual and anticipated conservation benefits from each contract are provided at the lowest cost relative to other similarly beneficial contract offers.”;*

*(2) in subsection (c)—*

*(A) by striking “the program under subsection (a)” and inserting “a contract or contract renewal under this section”;*

*(B) by inserting “or contract renewal” before “offer ranks”;*

*(C) by inserting “or contract renewal” after “stewardship contract”; and*

*(D) by adding “or contract renewal” before the period at the end;*

*(3) in subsection (d)(2)(A), by striking “1238G(d)” and inserting “1240L(c)”;* and

*(4) in subsection (e)—*

*(A) in the matter preceding paragraph (1), by striking “At the end” and all that follows through “period” the second place it appears and inserting the following: “The Secretary may provide the producer an opportunity to renew an existing contract in the first half of the fifth year of the contract period”;*

*(B) in paragraph (1), by striking “initial” and inserting “existing”;*

*(C) in paragraph (2)—*

*(i) by inserting “new or improved” after “integrate”;* and

*(ii) by inserting “demonstrating continued improvement during the additional 5-year period,” after “operation,”; and*

*(D) in paragraph (3)(B), by striking “to exceed the stewardship threshold of” and inserting “to adopt or improve conservation activities, as determined by the Secretary, to achieve higher levels of performance with respect to not less than”.*

*(d) DUTIES OF SECRETARY.—Section 1240L of the Food Security Act of 1985 (as redesignated by section 2301(b)) is amended—*

*(1) in subsection (b), in the matter preceding paragraph (1), by striking “acres” and inserting “funding”;*

*(2) by striking subsection (c);*

*(3) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively;*

*(4) in subsection (c) (as so redesignated), by adding at the end the following:*

*“(5) PAYMENT FOR COVER CROP ACTIVITIES.—The amount of a payment under this subsection for cover crop activities shall be not less than 125 percent of the annual payment amount determined by the Secretary under paragraph (2).”;*

*(5) in subsection (d) (as so redesignated)—*

*(A) in the subsection heading, by inserting “AND ADVANCED GRAZING MANAGEMENT” after “ROTATIONS”;*

*(B) by striking paragraph (2);*



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(C) by redesignating paragraphs (1) and (4) as paragraphs (2) and (1), respectively, and moving the paragraphs so as to appear in numerical order;

(D) in paragraph (1) (as so redesignated)—

(i) by redesignating subparagraphs (A) through (D) and (E) as clauses (i) through (iv) and (vi), respectively, and indenting appropriately;

(ii) by striking the paragraph designation and all that follows through “the term” in the matter preceding clause (i) (as so redesignated) and inserting the following:

“(1) *DEFINITIONS.*—In this subsection:

“(A) *ADVANCED GRAZING MANAGEMENT.*—The term ‘advanced grazing management’ means the use of a combination of grazing practices (as determined by the Secretary), which may include management-intensive rotational grazing, that provide for—

“(i) improved soil health and carbon sequestration;

“(ii) drought resilience;

“(iii) wildlife habitat;

“(iv) wildfire mitigation;

“(v) control of invasive plants; and

“(vi) water quality improvement.

“(B) *MANAGEMENT-INTENSIVE ROTATIONAL GRAZING.*—The term ‘management-intensive rotational grazing’ means a strategic, adaptively managed multipasture grazing system in which animals are regularly and systematically moved to fresh pasture in a manner that—

“(i) maximizes the quantity and quality of forage growth;

“(ii) improves manure distribution and nutrient cycling;

“(iii) increases carbon sequestration from greater forage harvest;

“(iv) improves the quality and quantity of cover for wildlife;

“(v) provides permanent cover to protect the soil from erosion; and

“(vi) improves water quality.

“(C) *RESOURCE-CONSERVING CROP ROTATION.*—The term”; and

(iii) in subparagraph (C) (as so designated)—

(I) in clause (iv) (as so redesignated), by striking “and” at the end; and

(II) by inserting after clause (iv) (as so redesignated) the following:

“(v) builds soil organic matter; and”;

(E) in paragraph (2) (as so redesignated), by striking “improve resource-conserving” and all that follows through the period at the end and inserting the following: “improve, manage, and maintain—

“(A) resource-conserving crop rotations; or

“(B) advanced grazing management.”;

(F) in paragraph (3)—



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(i) by striking “paragraph (1)” and inserting “paragraph (2)”; and

(ii) by striking “and maintain” and all that follows through the period at the end and inserting “or improve, manage, and maintain resource-conserving crop rotations or advanced grazing management for the term of the contract.”; and

(G) by adding at the end the following:

“(4) AMOUNT OF PAYMENT.—An additional payment provided under paragraph (2) shall be not less than 150 percent of the annual payment amount determined by the Secretary under subsection (c)(2).”;

(6) by inserting after subsection (d) (as so redesignated) the following:

“(e) PAYMENT FOR COMPREHENSIVE CONSERVATION PLAN.—

“(1) DEFINITION OF COMPREHENSIVE CONSERVATION PLAN.—In this subsection, the term ‘comprehensive conservation plan’ means a conservation plan that meets or exceeds the stewardship threshold for each priority resource concern identified by the Secretary under subsection (a)(2).

“(2) PAYMENT FOR COMPREHENSIVE CONSERVATION PLAN.—The Secretary shall provide a 1-time payment to a producer that develops a comprehensive conservation plan.

“(3) AMOUNT OF PAYMENT.—The Secretary shall determine the amount of payment under paragraph (2) based on—

“(A) the number of priority resource concerns addressed in the comprehensive conservation plan; and

“(B) the number of types of land uses included in the comprehensive conservation plan.”;

(7) in subsection (f), by striking “2014 through 2018” and inserting “2019 through 2023”;

(8) in subsection (h)—

(A) by striking the subsection designation and heading and all that follows through “The Secretary” and inserting the following:

“(h) ORGANIC CERTIFICATION.—

“(1) COORDINATION.—The Secretary”; and

(B) by adding at the end the following:

“(2) ALLOCATION.—

“(A) IN GENERAL.—Using funds made available for the program for each of fiscal years 2019 through 2023, the Secretary shall allocate funding to States to support organic production and transition to organic production through paragraph (1).

“(B) DETERMINATION.—The Secretary shall determine the allocation to a State under subparagraph (A) based on—

“(i) the number of certified and transitioning organic operations within the State; and

“(ii) the number of acres of certified and transitioning organic production within the State.”;

and

(9) by adding at the end the following:

“(j) STREAMLINING AND COORDINATION.—To the maximum extent feasible, the Secretary shall provide for streamlined and coordi-

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nated procedures for the program and the environmental quality incentives program under subchapter A, including applications, contracting, conservation planning, conservation practices, and related administrative procedures.

“(k) **SOIL HEALTH.**—To the maximum extent feasible, the Secretary shall manage the program to enhance soil health.

“(l) **ANNUAL REPORT.**—Each fiscal year, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the payment rates for conservation activities offered to producers under the program and an analysis of whether payment rates can be reduced for the most expensive conservation activities.”

**SEC. 2309. GRASSLAND CONSERVATION INITIATIVE.**

Subchapter B of chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (as added by subsections (a)(2) and (b) of section 2301) is amended by adding at the end the following:

**“SEC. 1240L–1. GRASSLAND CONSERVATION INITIATIVE.**

“(a) **DEFINITIONS.**—In this section:

“(1) **ELIGIBLE LAND.**—Notwithstanding sections 1240I(4) and 1240J(b)(2), the term ‘eligible land’ means cropland on a farm for which base acres have been maintained by the Secretary under section 1112(d)(3) of the Agricultural Act of 2014 (7 U.S.C. 9012(d)(3)).

“(2) **INITIATIVE.**—The term ‘initiative’ means the grassland conservation initiative established under subsection (b).

“(b) **ESTABLISHMENT AND PURPOSE.**—The Secretary shall establish within the program a grassland conservation initiative for the purpose of assisting producers in protecting grazing uses, conserving and improving soil, water, and wildlife resources, and achieving related conservation values by conserving eligible land through grassland conservation contracts under subsection (e).

“(c) **ELECTION.**—Beginning in fiscal year 2019, the Secretary shall provide a 1-time election to enroll eligible land in the initiative under a contract described in subsection (e).

“(d) **METHOD OF ENROLLMENT.**—The Secretary shall—

“(1) notwithstanding subsection (b) of section 1240K, determine under subsection (c) of that section that eligible land ranks sufficiently high under the evaluation criteria described in subsection (b) of that section; and

“(2) enroll the eligible land in the initiative under a contract described in subsection (e).

“(e) **GRASSLAND CONSERVATION CONTRACT.**—

“(1) **IN GENERAL.**—Notwithstanding section 1240K(a)(1), to enroll eligible land in the initiative under a grassland conservation contract, a producer shall agree—

“(A) to meet or exceed the stewardship threshold for not less than 1 priority resource concern by the date on which the contract expires; and

“(B) to comply with the terms and conditions of the contract.

“(2) **TERMS.**—A grassland conservation contract entered into under this section shall—

“(A)(i) be for a single 5-year term; and

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- “(ii) not be subject to renewal or reenrollment under section 1240K(e); and  
“(B) be subject to section 1240K(d).  
“(3) **EARLY TERMINATION.**—The Secretary shall allow a producer that enters into a grassland conservation contract under this section—  
“(A) to terminate the contract at any time; and  
“(B) to retain payments already received under the contract.  
“(f) **GRASSLAND CONSERVATION PLAN.**—The grassland conservation plan developed for eligible land shall be limited to—  
“(1) eligible land; and  
“(2) resource concerns and activities relating to grassland.  
“(g) **PAYMENTS.**—  
“(1) **IN GENERAL.**—Beginning in fiscal year 2019, of the funds made available for this subchapter under section 1241(a)(3)(B), and notwithstanding any payment under title I of the Agriculture Improvement Act of 2018, an amendment made by that title, or section 1240L(c), the Secretary shall make annual grassland conservation contract payments to the producer of any eligible land that is the subject of a grassland conservation contract under this section.  
“(2) **PAYMENT NONELIGIBILITY.**—A grassland conservation contract under this section shall not be—  
“(A) eligible for payments under section 1240L(d); or  
“(B) subject to the payment limitations under this subchapter.  
“(3) **LIMITATION.**—The amount of an annual payment under this subsection shall be \$18 per acre, not to exceed the number of base acres on a farm.  
“(h) **CONSIDERED PLANTED.**—The Secretary shall consider land enrolled under a grassland conservation contract under this section during a crop year to be planted or considered planted to a covered commodity (as defined in section 1111 of the Agricultural Act of 2014 (7 U.S.C. 9011)) during that crop year.  
“(i) **OTHER CONTRACTS.**—A producer with an agricultural operation that contains land eligible under this section and land eligible under section 1240K—  
“(1) may enroll the land eligible under this section through a contract under this section or under section 1240K; and  
“(2) shall not be prohibited from enrolling the land eligible under section 1240K through a contract under section 1240K.”.

## ***Subtitle D—Other Conservation Programs***

### **SEC. 2401. WATERSHED PROTECTION AND FLOOD PREVENTION.**

(a) **ASSISTANCE TO LOCAL ORGANIZATIONS.**—Section 3 of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1003) is amended—

- (1) by striking the section designation and all that follows through “In order to assist” and inserting the following:

#### **“SEC. 3. ASSISTANCE TO LOCAL ORGANIZATIONS.**

- “(a) **IN GENERAL.**—In order to assist”; and  
(2) by adding at the end the following:

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“(b) **WAIVER.**—*The Secretary may waive the watershed plan for works of improvement if the Secretary determines that—*

“(1) *the watershed plan is unnecessary or duplicative; and*  
“(2) *the works of improvement are otherwise consistent with applicable requirements under section 4.*”.

(b) **AUTHORIZATION OF APPROPRIATIONS.**—*Section 14(h)(2)(E) of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1012(h)(2)(E)) is amended by striking “2018” and inserting “2023”.*

(c) **FUNDS OF COMMODITY CREDIT CORPORATION.**—*The Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.) is amended by adding at the end the following:*

**“SEC. 15. FUNDING.**

*“In addition to any other funds made available by this Act, of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this Act \$50,000,000 for fiscal year 2019 and each fiscal year thereafter.”.*

**SEC. 2402. SOIL AND WATER RESOURCES CONSERVATION.**

*The Soil and Water Resources Conservation Act of 1977 (16 U.S.C. 2001 et seq.) is amended—*

(1) *in section 5(e) (16 U.S.C. 2004(e)), by striking “and December 31, 2015” and inserting “December 31, 2015, and December 31, 2022”;*

(2) *in section 6(d) (16 U.S.C. 2005(d)), by striking “, respectively” and inserting “, and a program update shall be completed by December 31, 2023”;*

(3) *in section 7 (16 U.S.C. 2006)—*

(A) *in subsection (a), by striking “and 2016” and inserting “, 2016, and 2022”; and*

(B) *in subsection (b), in the matter preceding paragraph (1), by striking “and 2017” and inserting “, 2017, and 2023”; and*

(4) *in section 10 (16 U.S.C. 2009), by striking “2018” and inserting “2023”.*

**SEC. 2403. EMERGENCY CONSERVATION PROGRAM.**

(a) **REPAIR OR REPLACEMENT OF FENCING.**—

(1) **IN GENERAL.**—*Section 401 of the Agricultural Credit Act of 1978 (16 U.S.C. 2201) is amended—*

(A) *by inserting “wildfires,” after “hurricanes,”;*

(B) *by striking the section designation and all that follows through “The Secretary of Agriculture” and inserting the following:*

**“SEC. 401. EMERGENCY CONSERVATION PROGRAM.**

*“(a) IN GENERAL.—The Secretary of Agriculture (referred to in this title as the ‘Secretary’); and*

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

**“(b) REPAIR OR REPLACEMENT OF FENCING.—**

*“(1) IN GENERAL.—With respect to a payment to an agricultural producer under subsection (a) for the repair or replacement of fencing, the Secretary shall give the agricultural producer the option of receiving not more than 25 percent of the payment, determined by the Secretary based on the applicable percentage of the fair market value of the cost of the repair or*

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replacement, before the agricultural producer carries out the repair or replacement.

“(2) RETURN OF FUNDS.—If the funds provided under paragraph (1) are not expended by the end of the 60-day period beginning on the date on which the agricultural producer receives those funds, the funds shall be returned within a reasonable timeframe, as determined by the Secretary.”

(2) CONFORMING AMENDMENTS.—

(A) Sections 402, 403, 404, and 405 of the Agricultural Credit Act of 1978 (16 U.S.C. 2202, 2203, 2204, 2205) are amended by striking “Secretary of Agriculture” each place it appears and inserting “Secretary”.

(B) Section 407(a) of the Agricultural Credit Act of 1978 (16 U.S.C. 2206(a)) is amended by striking paragraph (4).

(b) COST SHARE PAYMENTS.—Title IV of the Agricultural Credit Act of 1978 is amended by inserting after section 402 (16 U.S.C. 2202) the following:

“SEC. 402A. COST-SHARE REQUIREMENT.

“(a) COST-SHARE RATE.—Subject to subsections (b) and (c), the maximum cost-share payment under sections 401 and 402 shall not exceed 75 percent of the total allowable cost, as determined by the Secretary.

“(b) EXCEPTION.—Notwithstanding subsection (a), a payment to a limited resource farmer or rancher, a socially disadvantaged farmer or rancher (as defined in subsection (a) of section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279), or a beginning farmer or rancher under section 401 or 402 shall not exceed 90 percent of the total allowable cost, as determined by the Secretary.

“(c) LIMITATION.—The total payment under sections 401 and 402 for a single event may not exceed 50 percent of the agriculture value of the land, as determined by the Secretary.”

(c) PAYMENT LIMITATIONS.—Title IV of the Agricultural Credit Act of 1978 (16 U.S.C. 2201 et seq.) is amended by inserting after section 402A (as added by subsection (b)) the following:

“SEC. 402B. PAYMENT LIMITATION.

“The maximum payment made under the emergency conservation program to an agricultural producer under sections 401 and 402 shall not exceed \$500,000.”

(d) WATERSHED PROTECTION PROGRAM.—Section 403 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203) is amended—

(1) by striking the section heading and inserting “EMERGENCY WATERSHED PROGRAM”; and

(2) in subsection (a), by inserting “watershed protection” after “emergency”.

(e) FUNDING AND ADMINISTRATION.—Section 404 of the Agricultural Credit Act of 1978 (16 U.S.C. 2204) is amended—

(1) in the fourth sentence, by striking “The Corporation” and inserting the following:

“(d) LIMITATION.—The Commodity Credit Corporation”;

(2) in the third sentence (as amended by subsection (a)(2)(A)), by striking “In implementing the provisions of” and inserting the following:



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“(c) *USE OF COMMODITY CREDIT CORPORATION.*—In implementing”;

(3) by striking the second sentence;

(4) by striking the section designation and all that follows through “There are authorized” in the first sentence and inserting the following:

**“SEC. 404. FUNDING AND ADMINISTRATION.**

“(a) *AUTHORIZATION OF APPROPRIATIONS.*—There are authorized”;

(5) in subsection (a) (as so designated), by inserting “, to remain available until expended” before the period at the end; and

(6) by inserting after subsection (a) (as so designated) the following:

“(b) *SET-ASIDE FOR FENCING.*—Of the amounts made available under subsection (a) for a fiscal year, 25 percent shall be set aside until April 1 of that fiscal year for the repair or replacement of fencing.”.

**SEC. 2404. CONSERVATION OF PRIVATE GRAZING LAND.**

Section 1240M of the Food Security Act of 1985 (16 U.S.C. 3839bb) is amended—

(1) in subsection (c)(2), by adding at the end the following:

“(C) *PARTNERSHIPS.*—In carrying out the program under this section, the Secretary shall provide education and outreach activities through partnerships with—

“(i) land-grant colleges and universities (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)); and

“(ii) nongovernmental organizations.”; and

(2) in subsection (e), by striking “2018” and inserting “2023”.

**SEC. 2405. GRASSROOTS SOURCE WATER PROTECTION PROGRAM.**

(a) *AUTHORIZATION OF APPROPRIATIONS.*—Section 1240O(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3839bb–2(b)(1)) is amended by striking “2018” and inserting “2023”.

(b) *AVAILABILITY OF FUNDS.*—Section 1240O(b) of the Food Security Act of 1985 (16 U.S.C. 3839bb–2(b)) is amended by adding at the end the following:

“(3) *ADDITIONAL FUNDING.*—In addition to any other funds made available under this subsection, of the funds of the Commodity Credit Corporation, the Secretary shall use \$5,000,000 beginning in fiscal year 2019, to remain available until expended.”.

**SEC. 2406. VOLUNTARY PUBLIC ACCESS AND HABITAT INCENTIVE PROGRAM.**

Section 1240R of the Food Security Act of 1985 (16 U.S.C. 3839bb–5) is amended—

(1) in subsections (a) and (c), by striking “grants” each place it appears and inserting “funding”;

(2) in subsections (b) and (d)(2), by striking “a grant” each place it appears and inserting “funding”;



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(3) in subsection (c)(3) (as amended by section 2202(b)(1)), by inserting “or on land covered by a wetland reserve easement under section 1265C” before “by providing”; and

(4) in subsection (f)—

(A) in paragraph (1)—

(i) by striking “2012 and” and inserting “2012,”; and

(ii) by inserting “, and \$50,000,000 for the period of fiscal years 2019 through 2023” before the period at the end;

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

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

“(2) **ENHANCED PUBLIC ACCESS TO WETLAND RESERVE EASEMENTS.**—To the maximum extent practicable, of the funds made available under paragraph (1), the Secretary shall use \$3,000,000 for the period of fiscal years 2019 through 2023 to encourage public access to land covered by wetland reserve easements under section 1265C through agreements with States and tribal governments under this section.”.

**SEC. 2407. WILDLIFE MANAGEMENT.**

(a) **IN GENERAL.**—The Secretary and the Secretary of the Interior shall continue to carry out the Working Lands for Wildlife model of conservation on working landscapes, as implemented on the day before the date of enactment of this Act, in accordance with—

(1) the document entitled “Partnership Agreement Between the United States Department of Agriculture Natural Resources Conservation Service and the United States Department of the Interior Fish and Wildlife Service”, numbered A-3A7516-937, and formalized by the Chief of the Natural Resources Conservation Service on September 15, 2016, and by the Director of the United States Fish and Wildlife Service on August 4, 2016, as in effect on September 15, 2016; and

(2) United States Fish and Wildlife Service Director’s Order No. 217, dated August 9, 2016, as in effect on August 9, 2016.

(b) **EXPANSION OF MODEL.**—The Secretary and the Secretary of the Interior may expand the conservation model described in subsection (a) through a new partnership agreement between the Farm Service Agency and the United States Fish and Wildlife Service for the purpose of carrying out conservation activities for species conservation.

(c) **EXTENSION OF PERIOD OF REGULATORY PREDICTABILITY.**—

(1) **DEFINITION OF PERIOD OF REGULATORY PREDICTABILITY.**—In this subsection, the term “period of regulatory predictability” means the period of regulatory predictability under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) initially determined in accordance with the document and order described in paragraphs (1) and (2), respectively, of subsection (a).

(2) **EXTENSION.**—After the period of regulatory predictability, on request of the Secretary, the Secretary of the Interior, acting through the Director of the United States Fish and Wildlife Service, may provide additional consultation under section 7(a)(2) of the Endangered Species Act of 1973 (16 U.S.C.

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1536(a)(2)), or additional conference under section 7(a)(4) of that Act (16 U.S.C. 1536(a)(4)), as applicable, with the Chief of the Natural Resources Conservation Service or the Administrator of the Farm Service Agency, as applicable, to extend the period of regulatory predictability.

**SEC. 2408. FERAL SWINE ERADICATION AND CONTROL PILOT PROGRAM.**

(a) *IN GENERAL.*—The Secretary shall establish a feral swine eradication and control pilot program to respond to the threat feral swine pose to agriculture, native ecosystems, and human and animal health.

(b) *DUTIES OF THE SECRETARY.*—In carrying out the pilot program, the Secretary shall—

(1) study and assess the nature and extent of damage to the pilot areas caused by feral swine;

(2) develop methods to eradicate or control feral swine in the pilot areas;

(3) develop methods to restore damage caused by feral swine; and

(4) provide financial assistance to agricultural producers in pilot areas.

(c) *ASSISTANCE.*—The Secretary may provide financial assistance to agricultural producers under the pilot program to implement methods to—

(1) eradicate or control feral swine in the pilot areas; and

(2) restore damage caused by feral swine.

(d) *COORDINATION.*—The Secretary shall ensure that the Natural Resources Conservation Service and the Animal and Plant Health Inspection Service coordinate for purposes of this section through State technical committees established under section 1261(a) of the Food Security Act of 1985 (16 U.S.C. 3861(a)).

(e) *PILOT AREAS.*—The Secretary shall carry out the pilot program in areas of States in which feral swine have been identified as a threat to agriculture, native ecosystems, or human or animal health, as determined by the Secretary.

(f) *COST SHARING.*—

(1) *FEDERAL SHARE.*—The Federal share of the costs of activities under the pilot program may not exceed 75 percent of the total costs of such activities.

(2) *IN-KIND CONTRIBUTIONS.*—The non-Federal share of the costs of activities under the pilot program may be provided in the form of in-kind contributions of materials or services.

(g) *FUNDING.*—

(1) *MANDATORY FUNDING.*—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section \$75,000,000 for the period of fiscal years 2019 through 2023.

(2) *DISTRIBUTION OF FUNDS.*—Of the funds made available under paragraph (1)—

(A) 50 percent shall be allocated to the Natural Resources Conservation Service to carry out the pilot program, including the provision of financial assistance to producers for on-farm trapping and technology related to capturing and confining feral swine; and

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(B) 50 percent shall be allocated to the Animal and Plant Health Inspection Service to carry out the pilot program, including the use of established, and testing of innovative, population reduction methods.

(3) *LIMITATION ON ADMINISTRATIVE EXPENSES.*—Not more than 10 percent of funds made available under this section may be used for administrative expenses of the pilot program.

**SEC. 2409. REPORT ON SMALL WETLANDS.**

(a) *IN GENERAL.*—The Secretary, acting through the Chief of the Natural Resources Conservation Service, shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the number of wetlands with an area not more than 1 acre that have been delineated in each of the States of North Dakota, South Dakota, Minnesota, and Iowa during fiscal years 2014 through 2018.

(b) *REQUIREMENT.*—In the report under subsection (a), the Secretary, acting through the Chief of the Natural Resources Conservation Service, shall list the number of wetlands acres in each State described in the report by tenths of an acre, and ensure the report is based on the best available science.

**SEC. 2410. SENSE OF CONGRESS RELATING TO INCREASED WATERSHED-BASED COLLABORATION.**

*It is the sense of Congress that the Federal Government should recognize and encourage partnerships at the watershed level between nonpoint sources and regulated point sources to advance the goals of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) and provide benefits to farmers, landowners, and the public.*

## **Subtitle E—Funding and Administration**

**SEC. 2501. COMMODITY CREDIT CORPORATION.**

(a) *ANNUAL FUNDING.*—Section 1241(a) of the Food Security Act of 1985 (16 U.S.C. 3841(a)) is amended—

(1) in the matter preceding paragraph (1), by striking “2018 (and fiscal year 2019 in the case of the program specified in paragraph (5))” and inserting “2023”;

(2) in paragraph (1)—

(A) in subparagraph (A), by striking “\$10,000,000 for the period of fiscal years 2014 through 2018” and inserting “\$12,000,000 for the period of fiscal years 2019 through 2023”; and

(B) in subparagraph (B)—

(i) by striking “\$33,000,000 for the period of fiscal years 2014 through 2018” and inserting “\$50,000,000 for the period of fiscal years 2019 through 2023, including not more than \$5,000,000 to provide outreach and technical assistance,”; and

(ii) by striking “retired or retiring owners and operators” and inserting “contract holders”;

(3) in paragraph (2)—

(A) in subparagraph (D), by striking “and” at the end;

(B) in subparagraph (E), by striking the period at the end and inserting “; and”; and

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(C) by adding at the end the following:

“(F) \$450,000,000 for each of fiscal years 2019 through 2023.”;

(4) by striking paragraph (3) and inserting the following:

“(3) The programs under chapter 4, using, to the maximum extent practicable—

“(A) for the environmental quality incentives program under subchapter A of that chapter—

“(i) \$1,750,000,000 for fiscal year 2019;

“(ii) \$1,750,000,000 for fiscal year 2020;

“(iii) \$1,800,000,000 for fiscal year 2021;

“(iv) \$1,850,000,000 for fiscal year 2022; and

“(v) \$2,025,000,000 for fiscal year 2023; and

“(B) for the conservation stewardship program under subchapter B of that chapter—

“(i) \$700,000,000 for fiscal year 2019;

“(ii) \$725,000,000 for fiscal year 2020;

“(iii) \$750,000,000 for fiscal year 2021;

“(iv) \$800,000,000 for fiscal year 2022; and

“(v) \$1,000,000,000 for fiscal year 2023.”;

(5) in paragraph (4), by inserting “(as in effect on the day before the date of enactment of the Agriculture Improvement Act of 2018), using such sums as are necessary to administer contracts entered into before that date of enactment” before the period at the end; and

(6) by striking paragraph (5).

(b) AVAILABILITY OF FUNDS.—Section 1241(b) of the Food Security Act of 1985 (16 U.S.C. 3841(b)) is amended by striking “2018 (and fiscal year 2019 in the case of the program specified in subsection (a)(5))” and inserting “2023”.

(c) REPORT ON PROGRAM ENROLLMENTS AND ASSISTANCE.—Section 1241(i) of the Food Security Act of 1985 (16 U.S.C. 3841(i)) is amended to read as follows:

“(i) REPORT ON PROGRAM ENROLLMENTS AND ASSISTANCE.—Not later than December 15 of each of calendar years 2019 through 2023, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report containing statistics by State related to enrollments in conservation programs under this title, as follows:

“(1) The annual and current cumulative activity reflecting active agreement and contract enrollment statistics.

“(2) Secretarial exceptions, waivers, and significant payments, including—

“(A) payments made under the agricultural conservation easement program for easements valued at \$250,000 or greater;

“(B) payments made under the regional conservation partnership program subject to the waiver of adjusted gross income limitations pursuant to section 1271C(c)(3);

“(C) waivers granted by the Secretary under section 1001D(b)(3);

“(D) exceptions and activity associated with section 1240B(h)(2); and

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- (E) exceptions provided by the Secretary under section 1265B(b)(2)(B)(ii)."*
- (d) ALLOCATIONS REVIEW AND UPDATE.—Section 1241(g) of the Food Security Act of 1985 (16 U.S.C. 3841(g)) is amended—*
- (1) in paragraph (1)—*
- (A) by striking "January" and all that follows through "shall" and inserting "1 year after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary, acting through the Chief of the Natural Resources Conservation Service and the Administrator of the Farm Service Agency, shall";*
- (B) by inserting "annual" after "utilize"; and*
- (C) by inserting "relevant data on local natural resource concerns, resource inventories, evaluations and reports, recommendations from State technical committees established under section 1261(a)," after "accounting for"; and*
- (2) in paragraph (2)—*
- (A) by striking "that the formulas" and inserting the following: "that—*
- "(A) the formulas";*
- (B) in subparagraph (A) (as so designated), by striking the period at the end and inserting a semicolon; and*
- (C) by adding at the end the following:*
- "(B) to the maximum extent practicable, local natural resource concerns are considered a leading factor in determining annual funding allocation to States;*
- "(C) the process used at the national level to evaluate State budget proposals and to allocate funds is reviewed annually to assess the effect of allocations in addressing identified natural resource priorities and objectives; and*
- "(D) the allocation of funds to States addresses priority natural resource concerns and objectives."*
- (e) ASSISTANCE TO CERTAIN FARMERS OR RANCHERS FOR CONSERVATION ACCESS.—Section 1241(h) of the Food Security Act of 1985 (16 U.S.C. 3841(h)) is amended—*
- (1) in paragraph (1)—*
- (A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and indenting appropriately;*
- (B) in the matter preceding clause (i) (as so redesignated), by striking "Of the funds" and inserting the following:*
- "(A) FISCAL YEARS 2009 THROUGH 2018.—Of the funds";*
- and*
- (C) by adding at the end the following:*
- "(B) FISCAL YEARS 2019 THROUGH 2023.—Of the funds made available for each of fiscal years 2019 through 2023 to carry out the environmental quality incentives program under subchapter A of chapter 4 of subtitle D and the conservation stewardship program under subchapter B of chapter 4 of subtitle D, the Secretary shall use, to the maximum extent practicable—*
- "(i) 5 percent to assist beginning farmers or ranchers; and*



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*“(ii) 5 percent to assist socially disadvantaged farmers or ranchers.”;*

*(2) in paragraph (2), by inserting “and, in the case of fiscal years 2019 through 2023, under the conservation stewardship program under subchapter B of chapter 4 of subtitle D” before the period at the end;*

*(3) in paragraph (3), by striking “year, acres not obligated under paragraph (1)” and inserting “year through fiscal year 2018, acres not obligated under paragraph (1)(A)”;* and

*(4) in paragraph (4), by striking “subparagraph (A) or (B) of paragraph (1)” and inserting “, as applicable, clause (i) or (ii) of paragraph (1)(A) or clause (i) or (ii) of paragraph (1)(B)”.*

*(f) CONSERVATION STANDARDS AND REQUIREMENTS.—Section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841) is amended by adding at the end the following:*

*“(j) CONSERVATION STANDARDS AND REQUIREMENTS.—*

*“(1) IN GENERAL.—Subject to the requirements of this title, the Natural Resources Conservation Service shall serve as the lead agency in developing and establishing technical standards and requirements for conservation programs carried out under this title, including—*

*“(A) standards for conservation practices under this title;*

*“(B) technical guidelines for implementing conservation practices under this title, including the location of the conservation practices; and*

*“(C) standards for conservation plans.*

*“(2) CONSISTENCY OF FARM SERVICE AGENCY TECHNICAL STANDARDS AND PAYMENT RATES.—The Administrator of the Farm Service Agency shall ensure that—*

*“(A) technical standards of programs administered by the Farm Service Agency are consistent with the technical standards established by the Natural Resources Conservation Service under paragraph (1); and*

*“(B) payment rates, to the extent practicable, are consistent between the Farm Service Agency and the Natural Resources Conservation Service.”.*

**SEC. 2502. DELIVERY OF TECHNICAL ASSISTANCE.**

*(a) DEFINITIONS.—Section 1242(a) of the Food Security Act of 1985 (16 U.S.C. 3842(a)) is amended to read as follows:*

*“(a) DEFINITIONS.—In this section:*

*“(1) ELIGIBLE PARTICIPANT.—The term ‘eligible participant’ means a producer, landowner, or entity that is participating in, or seeking to participate in, programs in which the producer, landowner, or entity is otherwise eligible to participate under this title or the agricultural management assistance program under section 524(b) of the Federal Crop Insurance Act (7 U.S.C. 1524(b)).*

*“(2) THIRD-PARTY PROVIDER.—The term ‘third-party provider’ means a commercial entity (including a farmer cooperative, agriculture retailer, or other commercial entity (as defined by the Secretary)), a nonprofit entity, a State or local government (including a conservation district), or a Federal agency, that has expertise in the technical aspect of conservation plan-*



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ning, including nutrient management planning, watershed planning, or environmental engineering.”

(b) *CERTIFICATION PROCESS.*—Section 1242(e) of the Food Security Act of 1985 (16 U.S.C. 3842(e)) is amended by adding at the end the following:

“(4) *CERTIFICATION PROCESS.*—The Secretary shall certify a third-party provider through—

“(A) a certification process administered by the Secretary, acting through the Chief of the Natural Resources Conservation Service; or

“(B) a non-Federal entity approved by the Secretary to perform the certification.

“(5) *STREAMLINED CERTIFICATION.*—The Secretary shall provide a streamlined certification process for a third-party provider that has an appropriate specialty certification, including a sustainability certification.”

(c) *EXPEDITED REVISION OF STANDARDS.*—Section 1242(h) of the Food Security Act of 1985 (16 U.S.C. 3842(h)) is amended—

(1) in paragraph (1)—

(A) by striking subparagraph (A) and inserting the following:

“(A) not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, complete a review of each conservation practice standard, including engineering design specifications, in effect on the day before the date of enactment of that Act;”;

(B) in subparagraph (B), by striking “and” at the end;

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

(D) by adding at the end the following:

“(D) evaluate opportunities to increase flexibility in conservation practice standards in a manner that ensures equivalent natural resource benefits.”;

(2) in paragraph (2), by inserting “State technical committees established under section 1261(a),” before “crop consultants”; and

(3) by striking paragraph (3) and inserting the following:

“(3) *EXPEDITED REVISION OF STANDARDS.*—Not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary shall develop for the programs under this title an administrative process for—

“(A) expediting the establishment and revision of conservation practice standards;

“(B) considering conservation innovations and scientific and technological advancements with respect to any establishment or revision under subparagraph (A);

“(C) allowing local flexibility in the creation of—

“(i) interim practice standards and supplements to existing practice standards to address the considerations described in subparagraph (B); and

“(ii) partnership-led proposals for new and innovative techniques to facilitate implementing agreements and grants under this title; and

“(D) soliciting regular input from State technical committees established under section 1261(a) for recommenda-

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tions that identify innovations or advancements described in subparagraph (B).

“(4) REPORT.—Not later than 2 years after the date of enactment of the Agriculture Improvement Act of 2018, and every 2 years thereafter, the Secretary shall submit to Congress a report on—

“(A) the administrative process developed under paragraph (3);

“(B) conservation practice standards that were established or revised under that process; and

“(C) conservation innovations that were considered under that process.”

**SEC. 2503. ADMINISTRATIVE REQUIREMENTS FOR CONSERVATION PROGRAMS.**

(a) ACREAGE LIMITATIONS.—Section 1244(f) of the Food Security Act of 1985 (16 U.S.C. 3844(f)) is amended—

(1) in paragraph (1)(B), by striking “10” and inserting “15”; and

(2) in paragraph (5), by striking “the Agricultural Act of 2014” and inserting “the Agriculture Improvement Act of 2018”.

(b) REQUIREMENTS FOR CONSERVATION PROGRAMS.—Section 1244 of the Food Security Act of 1985 (16 U.S.C. 3844) is amended—

(1) by striking subsection (m);

(2) by redesignating subsections (j) through (l) as subsections (k) through (m), respectively; and

(3) by inserting after subsection (i) the following:

“(j) REVIEW AND GUIDANCE FOR PRACTICE COSTS AND PAYMENT RATES.—

“(1) IN GENERAL.—Not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, and not later than October 1 of each year thereafter, the Secretary shall—

“(A) review the estimates for practice costs and rates of payments made to producers for practices on eligible land under this title; and

“(B) evaluate whether those costs and rates reflect a payment that—

“(i) encourages participation in a conservation program administered by the Secretary;

“(ii) encourages implementation of the most effective practices to address local natural resource concerns on eligible land; and

“(iii) accounts for regional, State, and local variability relating to the complexity, implementation, and adoption of practices on eligible land.

“(2) GUIDANCE; REVIEW.—The Secretary shall—

“(A) issue guidance to States to annually review and adjust the estimates for practice costs and rates of payments made to producers to reflect the evaluation factors described in paragraph (1)(B); and

“(B) determine the appropriate practice costs and rates of payments for each State by—

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*“(i) annually reviewing each conservation program payment schedule and payment rate used in the State; and*

*“(ii) consulting with the State technical committee established under section 1261(a) in that State.”.*

*(c) FUNDING FOR INDIAN TRIBES.—Section 1244(m) of the Food Security Act of 1985 (as redesignated by subsection (b)(2)) is amended—*

*(1) by striking “may” and inserting “shall”;*

*(2) by striking “that the goals” and inserting the following: “that—*

*“(1) the goals”;*

*(3) in paragraph (1) (as so designated), by striking “arrangements, and that statutory” and inserting the following: “arrangements;*

*“(2) a sufficient number of eligible participants will be aggregated under the alternative funding arrangement to accomplish the underlying purposes and objectives of the applicable program; and*

*“(3) statutory”;* and

*(4) in paragraph (3) (as so designated), by striking the period at the end and inserting “, except that the Secretary may approve a waiver if the Secretary is authorized to approve a waiver under the statutory authority of the applicable program.”.*

*(d) SOURCE WATER PROTECTION THROUGH TARGETING OF AGRICULTURAL PRACTICES.—Section 1244 of the Food Security Act of 1985 (16 U.S.C. 3844) (as amended by subsection (b)) is amended by adding at the end the following:*

*“(n) SOURCE WATER PROTECTION THROUGH TARGETING OF AGRICULTURAL PRACTICES.—*

*“(1) IN GENERAL.—In carrying out any conservation program administered by the Secretary, the Secretary shall encourage practices that relate to water quality and water quantity that protect source water for drinking water (including protecting against public health threats) while also benefitting agricultural producers.*

*“(2) COLLABORATION WITH WATER SYSTEMS AND INCREASED INCENTIVES.—*

*“(A) IN GENERAL.—In encouraging practices under paragraph (1), the Secretary shall—*

*“(i) work collaboratively with community water systems and State technical committees established under section 1261(a) to identify, in each State, local priority areas for the protection of source waters for drinking water; and*

*“(ii) subject to subparagraph (B), for practices described in paragraph (1), offer to producers increased incentives and higher payment rates than are otherwise statutorily authorized by the applicable conservation program administered by the Secretary.*

*“(B) LIMITATION.—An increased payment under subparagraph (A)(ii) shall not exceed 90 percent of practice costs associated with planning, design, materials, equip-*

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ment, installation, labor, management, maintenance, or training.

“(3) RESERVATION OF FUNDS.—

“(A) IN GENERAL.—In each of fiscal years 2019 through 2023, the Secretary shall use to carry out this subsection not less than 10 percent of any funds available for conservation programs administered by the Secretary under this title (other than the conservation reserve program established under subchapter B of chapter 1 of subtitle D).

“(B) LIMITATION.—Funds available for a specific conservation program shall not be transferred to fund a different conservation program under this title.”.

(e) ENVIRONMENTAL SERVICES MARKET.—Section 1244 of the Food Security Act of 1985 (16 U.S.C. 3844) (as amended by subsection (d)) is amended by adding at the end the following:

“(o) ENVIRONMENTAL SERVICES MARKET.—The Secretary may not prohibit, through a contract, easement, or agreement under this title, a participant in a conservation program administered by the Secretary under this title from participating in, and receiving compensation from, an environmental services market if 1 of the purposes of the market is the facilitation of additional conservation benefits that are consistent with the purposes of the conservation program administered by the Secretary.”.

(f) REGULATORY CERTAINTY.—Section 1244 of the Food Security Act of 1985 (16 U.S.C. 3844) (as amended by subsection (e)) is amended by adding at the end the following:

“(p) REGULATORY CERTAINTY.—

“(1) IN GENERAL.—In addition to technical and programmatic information that the Secretary is otherwise authorized to provide, on request of a Federal agency, a State, an Indian tribe, or a unit of local government, the Secretary may provide technical and programmatic information—

“(A) subject to paragraph (2), to the Federal agency, State, Indian tribe, or unit of local government to support specifically the development of mechanisms that would provide regulatory certainty, regulatory predictability, safe harbor protection, or other similar regulatory assurances to a farmer, rancher, or private nonindustrial forest landowner under a regulatory requirement—

“(i) that relates to soil, water, or wildlife; and

“(ii) over which that Federal agency, State, Indian tribe, or unit of local government has authority; and

“(B) relating to conservation practices or activities that could be implemented by a farmer, rancher, or private nonindustrial forest landowner to address a targeted soil, water, or wildlife resource concern that is the direct subject of a regulatory requirement enforced by that Federal agency, State, Indian tribe, or unit of local government, as applicable.

“(2) MECHANISMS.—The Secretary shall only provide additional technical and programmatic information under paragraph (1) if the mechanisms to be developed by the Federal agency, State, Indian tribe, or unit of local government, as applicable, under paragraph (1)(A) are anticipated to include, at a minimum—

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*“(A) the implementation of 1 or more conservation practices or activities that effectively addresses the soil, water, or wildlife resource concern identified under paragraph (1);*

*“(B) the on-site confirmation that the applicable conservation practices or activities identified under subparagraph (A) have been implemented;*

*“(C) a plan for a periodic audit, as appropriate, of the continued implementation or maintenance of each of the conservation practices or activities identified under subparagraph (A); and*

*“(D) notification to a farmer, rancher, or private non-industrial forest landowner of, and an opportunity to correct, any noncompliance with a requirement to obtain regulatory certainty, regulatory predictability, safe harbor protection, or other similar regulatory assurance.*

**“(3) CONTINUING CURRENT COLLABORATION ON SOIL, WATER, OR WILDLIFE CONSERVATION PRACTICES.—***The Secretary shall—*

*“(A) continue collaboration with Federal agencies, States, Indian tribes, or local units of government on existing regulatory certainty, regulatory predictability, safe harbor protection, or other similar regulatory assurances in accordance with paragraph (2); and*

*“(B) continue collaboration with the Secretary of the Interior on consultation under section 7(a)(2) of the Endangered Species Act of 1973 (16 U.S.C. 1536(a)(2)) or conference under section 7(a)(4) of that Act (16 U.S.C. 1536(a)(4)), as applicable, for wildlife conservation efforts, including the Working Lands for Wildlife model of conservation on working landscapes, as implemented on the day before the date of enactment of the Agriculture Improvement Act of 2018, in accordance with—*

*“(i) the document entitled ‘Partnership Agreement Between the United States Department of Agriculture Natural Resources Conservation Service and the United States Department of the Interior Fish and Wildlife Service’, numbered A-3A75-16-937, and formalized by the Chief of the Natural Resources Conservation Service on September 15, 2016, and by the Director of the United States Fish and Wildlife Service on August 4, 2016, as in effect on September 15, 2016; and*

*“(ii) United States Fish and Wildlife Service Director’s Order No. 217, dated August 9, 2016, as in effect on August 9, 2016.*

**“(4) SAVINGS CLAUSE.—***Nothing in this subsection—*

*“(A) preempts, displaces, or supplants any authority or right of a Federal agency, a State, an Indian tribe, or a unit of local government;*

*“(B) modifies or otherwise affects, preempts, or displaces—*

*“(i) any cause of action; or*

*“(ii) a provision of Federal or State law establishing a remedy for a civil or criminal cause of action; or*



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*“(C) applies to a case in which the Department of Agriculture is the originating agency requesting a consultation or other technical and programmatic information or assistance from another Federal agency in assisting farmers, ranchers, or nonindustrial private forest landowners participating in a conservation program administered by the Secretary.”.*

**SEC. 2504. TEMPORARY ADMINISTRATION OF CONSERVATION PROGRAMS.**

*(a) INTERIM ADMINISTRATION.—Subject to subsection (d), the Secretary shall use the applicable regulations in effect on the day before the date of enactment of this Act, to the extent that the terms and conditions of those regulations are consistent with the amendments made by this title, to carry out the programs under laws as amended by this title, including—*

*(1) the conservation reserve program under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) (as amended by subtitle B);*

*(2) the environmental quality incentives program under subchapter A of chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq) (as added by section 2301(a)(1) and amended by subtitle C);*

*(3) the conservation stewardship program under subchapter B of chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (as added by subsections (a)(2) and (b) of section 2301 and amended by subtitle C); and*

*(4) the agricultural conservation easement program established under subtitle H of title XII of the Food Security Act of 1985 (16 U.S.C. 3865 et seq.) (as amended by subtitle F).*

*(b) REGIONAL CONSERVATION PARTNERSHIP PROGRAM.—Notwithstanding subsection (e) of section 1271E of the Food Security Act of 1985 (16 U.S.C. 3871e) (as amended by section 2706), and subject to subsection (d), for fiscal year 2019, the Secretary may use an availability of program funding announcement consistent with the amendments made by subtitle G to carry out the regional conservation partnership program under subtitle I of title XII of the Food Security Act of 1985 (16 U.S.C. 3871 et seq.) without issuing a regulation.*

*(c) FUNDING.—The Secretary may only use funds authorized to be made available by this title or the amendments made by this title for the specific programs described in paragraphs (1) through (4) of subsection (a) and subsection (b), in accordance with any restrictions on the use of those funds, for the purposes described in subsections (a) and (b).*

*(d) TERMINATION OF AUTHORITY.—The authority of the Secretary to carry out subsections (a) and (b) shall terminate on September 30, 2019.*

*(e) PERMANENT ADMINISTRATION.—Effective beginning on the termination date described in subsection (d), the Secretary shall carry out this title and the amendments made by this title in accordance with such final regulations as the Secretary considers necessary to carry out this title and the amendments made by this title.*



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## ***Subtitle F—Agricultural Conservation Easement Program***

### **SEC. 2601. ESTABLISHMENT AND PURPOSES.**

*Section 1265(b) of the Food Security Act of 1985 (16 U.S.C. 3865(b)) is amended—*

*(1) in paragraph (3), by inserting “that negatively affect the agricultural uses and conservation values” after “that land”; and*

*(2) in paragraph (4), by striking “restoring and” and inserting “restoring or”.*

### **SEC. 2602. DEFINITIONS.**

*Section 1265A of the Food Security Act of 1985 (16 U.S.C. 3865a) is amended—*

*(1) in paragraph(1)(B), by striking “subject to an agricultural land easement plan, as approved by the Secretary”;*

*(2) by redesignating paragraphs (2), (3), (4), and (5) as paragraphs (3), (4), (6), and (7), respectively;*

*(3) by inserting after paragraph (1) the following:*

*“(2) BUY-PROTECT-SELL TRANSACTION.—*

*“(A) IN GENERAL.—The term ‘buy-protect-sell transaction’ means a legal arrangement—*

*“(i) between an eligible entity and the Secretary relating to land that an eligible entity owns or is going to purchase prior to acquisition of an agricultural land easement;*

*“(ii) under which the eligible entity certifies to the Secretary that the eligible entity shall—*

*“(I)(aa) hold an agricultural land easement on that land, but transfer ownership of the land to a farmer or rancher that is not an eligible entity prior to or on acquisition of the agricultural land easement; or*

*“(bb) hold an agricultural land easement on that land, but transfer ownership of the land to a farmer or rancher that is not an eligible entity in a timely manner and, subject to subparagraph (B), not later than 3 years after the date of acquisition of the agricultural land easement; and*

*“(II) make an initial sale of the land subject to the agricultural land easement to a farmer or rancher at not more than agricultural value, plus any reasonable holding and transaction costs incurred by the eligible entity, as determined by the Secretary; and*

*“(iii) under which the Secretary shall be reimbursed for the entirety of the Federal share of the cost of the agricultural land easement by the eligible entity if the eligible entity fails to transfer ownership under item (aa) or (bb), as applicable, of clause (ii)(I).*

*“(B) TIME EXTENSION.—Under subparagraph (A)(ii)(I)(bb), an eligible entity may transfer land later than 3 years after the date of acquisition of the agricultural land*

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*easement if the Secretary determines an extension of time is justified.”;*

*(4) in paragraph (4) (as so redesignated)—*

*(A) in subparagraph (A)(i)—*

*(i) by striking “to a” and inserting the following:*

*“to—*

*“(I) a”;*

*(ii) in subclause (I) (as so designated), by adding “or” at the end; and*

*(iii) by adding at the end the following:*

*“(II) a buy-protect-sell transaction;”;* and

*(B) in subparagraph (B)(i)(II), by striking “, as determined by the Secretary in consultation with the Secretary of the Interior at the local level”; and*

*(5) by inserting after paragraph (4) (as so redesignated) the following:*

*“(5) MONITORING REPORT.—The term ‘monitoring report’ means a report, the contents of which are formulated and prepared by the holder of an agricultural land easement, that accurately documents whether the land subject to the agricultural land easement is in compliance with the terms and conditions of the agricultural land easement.”.*

**SEC. 2603. AGRICULTURAL LAND EASEMENTS.**

*(a) AVAILABILITY OF ASSISTANCE.—Section 1265B(a) of the Food Security Act of 1985 (16 U.S.C. 3865b(a)) is amended—*

*(1) in paragraph (1), by striking “and” at the end;*

*(2) in paragraph (2), by striking “provide for the conservation of natural resources pursuant to an agricultural land easement plan.” and inserting “implement the program, including technical assistance for the development of a conservation plan under subsection (b)(4)(C)(iv); and”;* and

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

*“(3) buy-protect-sell transactions.”.*

*(b) COST-SHARE ASSISTANCE.—*

*(1) SCOPE OF ASSISTANCE AVAILABLE.—Section 1265B(b)(2) of the Food Security Act of 1985 (16 U.S.C. 3865b(b)(2)) is amended—*

*(A) in subparagraph (B), by striking clause (ii) and inserting the following:*

*“(ii) GRASSLANDS EXCEPTION.—In the case of grassland of special environmental significance, as determined by the Secretary, the Secretary may provide an amount not to exceed 75 percent of the fair market value of the agricultural land easement.*

*“(iii) PERMISSIBLE FORMS.—The non-Federal share provided by an eligible entity under this subparagraph may comprise—*

*“(I) cash resources;*

*“(II) a charitable donation or qualified conservation contribution (as defined in section 170(h) of the Internal Revenue Code of 1986) from the private landowner from which the agricultural land easement will be purchased;*

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*“(III) costs associated with securing a deed to the agricultural land easement, including the cost of appraisal, survey, inspection, and title; and*

*“(IV) other costs, as determined by the Secretary.”; and*

*(B) by striking subparagraph (C).*

*(2) EVALUATION AND RANKING OF APPLICATIONS.—Section 1265B(b)(3) of the Food Security Act of 1985 (16 U.S.C. 3865b(b)(3)) is amended—*

*(A) by redesignating subparagraph (C) as subparagraph (E); and*

*(B) by inserting after subparagraph (B) the following:*

*“(C) ACCOUNTING FOR GEOGRAPHIC DIFFERENCES.—The Secretary may adjust the criteria established under subparagraph (A) to account for geographic differences, if the adjustments—*

*“(i) meet the purposes of the program; and*

*“(ii) continue to maximize the benefit of the Federal investment under the program.*

*“(D) PRIORITY.—In evaluating applications under the program, the Secretary may give priority to an application for the purchase of an agricultural land easement that, as determined by the Secretary, maintains agricultural viability.”.*

*(3) AGREEMENTS WITH ELIGIBLE ENTITIES.—Section 1265B(b)(4) of the Food Security Act of 1985 (16 U.S.C. 3865b(b)(4)) is amended—*

*(A) in subparagraph (C), by striking clauses (iii) and (iv) and inserting the following:*

*“(iii) include a right of enforcement for the Secretary that—*

*“(I) may be used only if the terms and conditions of the easement are not enforced by the eligible entity; and*

*“(II) does not extend to a right of inspection unless—*

*“(aa)(AA) the holder of the easement fails to provide monitoring reports in a timely manner; or*

*“(BB) the Secretary has a reasonable and articulable belief that the terms and conditions of the easement have been violated; and*

*“(bb) prior to the inspection, the Secretary notifies the eligible entity and the landowner of the inspection and provides a reasonable opportunity for the eligible entity and the landowner to participate in the inspection;*

*“(iv) include a conservation plan only for any portion of the land subject to the agricultural land easement that is highly erodible cropland; and”;*

*(B) by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively; and*

*(C) by inserting after subparagraph (C) the following:*

*“(D) ADDITIONAL PERMITTED TERMS AND CONDITIONS.—An eligible entity may include terms and conditions for an agricultural land easement that—*

*“(i) are intended to keep the land subject to the agricultural land easement under the ownership of a farmer or rancher, as determined by the Secretary;*

*“(ii) allow subsurface mineral development on the land subject to the agricultural land easement and in accordance with applicable State law if, as determined by the Secretary—*

*“(I) the subsurface mineral development—*

*“(aa) has a limited and localized impact;*

*“(bb) does not harm the agricultural use and conservation values of the land subject to the easement;*

*“(cc) does not materially alter or affect the existing topography;*

*“(dd) shall comply with a subsurface mineral development plan that—*

*“(AA) includes a plan for the remediation of impacts to the agricultural use and conservation values of the land subject to the easement; and*

*“(BB) is approved by the Secretary prior to the initiation of mineral development activity;*

*“(ee) is not accomplished by any surface mining method;*

*“(ff) is within the impervious surface limits of the easement under subparagraph (C)(v); and*

*“(gg) uses practices and technologies that minimize the duration and intensity of impacts to the agricultural use and conservation values of the land subject to the easement; and*

*“(II) each area impacted by the subsurface mineral development shall be reclaimed and restored by the holder of the mineral rights at cessation of operation; and*

*“(iii) include other relevant activities relating to the agricultural land easement, as determined by the Secretary.”.*

*(4) CERTIFICATION OF ELIGIBLE ENTITIES.—Section 1265B(b)(5) of the Food Security Act of 1985 (16 U.S.C. 3865b(b)(5)) is amended—*

*(A) in subparagraph (A)—*

*(i) in clause (ii), by striking “; and” and inserting a semicolon;*

*(ii) in clause (iii), by striking the period at the end and inserting “; and”; and*

*(iii) by adding at the end the following:*

*“(iv) allow a certified eligible entity to use its own terms and conditions, notwithstanding paragraph (4)(C), as long as the terms and conditions are consistent with the purposes of the program.”; and*

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(B) in subparagraph (B)—

(i) in clause (iii), by redesignating subclauses (I) through (III) as items (aa) through (cc), respectively, and indenting appropriately;

(ii) by redesignating clauses (i) through (iii) as subclauses (I) through (III), respectively, and indenting appropriately;

(iii) in the matter preceding subclause (I) (as so redesignated), by striking “entity will” and inserting the following: “eligible entity—

“(i) will”;

(iv) in clause (i)(III)(cc) (as so redesignated), by striking the period at the end and inserting a semicolon; and

(v) by adding at the end the following:

“(ii) has—

“(I) been accredited by the Land Trust Accreditation Commission, or by an equivalent accrediting body, as determined by the Secretary;

“(II) acquired not fewer than 10 agricultural land easements under the program or any predecessor program; and

“(III) successfully met the responsibilities of the eligible entity under the applicable agreements with the Secretary, as determined by the Secretary, relating to agricultural land easements that the eligible entity has acquired under the program or any predecessor program; or

“(iii) is a State department of agriculture or other State agency with statutory authority for farm and ranchland protection that has—

“(I) acquired not fewer than 10 agricultural land easements under the program or any predecessor program; and

“(II) successfully met the responsibilities of the eligible entity under the applicable agreements with the Secretary, as determined by the Secretary, relating to agricultural land easements that the eligible entity has acquired under the program or any predecessor program.”.

(5) **TECHNICAL ASSISTANCE.**—Section 1265B of the Food Security Act of 1985 (16 U.S.C. 3865b) is amended by striking subsection (d) and inserting the following:

“(d) **TECHNICAL ASSISTANCE.**—The Secretary may provide technical assistance, if requested, to assist in compliance with the terms and conditions of easements.”.

**SEC. 2604. WETLAND RESERVE EASEMENTS.**

Section 1265C of the Food Security Act of 1985 (16 U.S.C. 3865c) is amended—

(1) in subsection (b)—

(A) in paragraph (3)(C), by inserting “or improving water quality” before the period at the end; and

(B) in paragraph (5)—

(i) in subparagraph (C)—

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(I) by striking “Land subject” and inserting the following:

“(i) *IN GENERAL.—Land subject*”;

(II) in clause (i) (as so designated), by inserting “water management,” after “timber harvest,”; and

(III) by adding at the end the following:

“(ii) *COMPATIBLE USE AUTHORIZATION.—In evaluating and authorizing a compatible economic use under clause (i), the Secretary shall—*

“(I) request and consider the advice of the applicable State technical committee established under section 1261(a) about the 1 or more types of uses that may be authorized to be conducted on land subject to a wetland reserve easement, including the frequency, timing, and intensity of those uses;

“(II) consider the ability of an authorized use to facilitate the practical administration and management of that land; and

“(III) ensure that an authorized use furthers the functions and values for which the wetland reserve easement was established.”; and

(ii) in subparagraph (D)(i)(III), by inserting after “under subsection (f)” the following: “or a grazing management plan that is consistent with the wetland reserve easement plan and has been reviewed, and modified as necessary, at least every 5 years”; and

(2) in subsection (f)—

(A) by striking paragraph (1) and inserting the following:

“(1) *WETLAND RESERVE EASEMENT PLAN.—*

“(A) *IN GENERAL.—The Secretary shall develop a wetland reserve easement plan—*

“(i) for any eligible land subject to a wetland reserve easement; and

“(ii) that restores, protects, enhances, manages, maintains, and monitors the eligible land subject to the wetland reserve easements acquired under this section.

“(B) *PRACTICES AND ACTIVITIES.—A wetland reserve easement plan under subparagraph (A) shall include practices and activities, including repair or replacement, that are necessary to restore and maintain the enrolled land and the functions and values of the wetland subject to a wetland reserve easement.*”;

(B) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

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

“(2) *ALTERNATIVE PLANT COMMUNITIES.—The Secretary, in coordination with State technical committees established under section 1261(a) and pursuant to State-specific criteria and guidelines, may authorize the establishment or restoration of a hydrologically appropriate native community or alternative naturalized vegetative community as part of a wetland reserve easement plan on land subject to a wetland reserve easement if*



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*that hydrologically appropriate native or alternative naturalized vegetative community shall—*

*“(A) substantially support or benefit migratory waterfowl or other wetland wildlife; or*

*“(B) meet local resource concerns or needs (including as an element of a regional, State, or local wildlife initiative or plan).”.*

**SEC. 2605. ADMINISTRATION.**

*Section 1265D of the Food Security Act of 1985 (16 U.S.C. 3865d) is amended—*

*(1) in paragraph (a)(4), by striking “proposed” and inserting “permitted”;*

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

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

*“(1) SUBORDINATION.—The Secretary may subordinate any interest in land, or portion of such interest, administered by the Secretary (including for the purposes of utilities and energy transmission services) either directly or on behalf of the Commodity Credit Corporation under the program if the Secretary determines that the subordination—*

*“(A) increases conservation values or has a limited negative effect on conservation values;*

*“(B) minimally affects the acreage subject to the interest in land; and*

*“(C) is in the public interest or furthers the practical administration of the program.*

*“(2) MODIFICATION AND EXCHANGE.—*

*“(A) AUTHORITY.—The Secretary may approve a modification or exchange of any interest in land, or portion of such interest, administered by the Secretary, either directly or on behalf of the Commodity Credit Corporation under the program if the Secretary determines that—*

*“(i) no reasonable alternative exists and the effect on the interest in land is avoided or minimized to the extent practicable; and*

*“(ii) the modification or exchange—*

*“(I) results in equal or increased conservation values;*

*“(II) results in equal or greater economic value to the United States;*

*“(III) is consistent with the original intent of the easement;*

*“(IV) is consistent with the purposes of the program; and*

*“(V) is in the public interest or furthers the practical administration of the program.*

*“(B) LIMITATION.—In modifying or exchanging an interest in land, or portion of such interest, under this paragraph, the Secretary may not increase any payment to an eligible entity.*

*“(3) TERMINATION.—The Secretary may approve a termination of any interest in land, or portion of such interest, administered by the Secretary, directly or on behalf of the Com-*

modity Credit Corporation under the program if the Secretary determines that—

“(A) termination is in the interest of the Federal Government;

“(B) the United States will be fully compensated for—

“(i) the fair market value of the interest in land;

“(ii) any costs relating to the termination; and

“(iii) any damages determined appropriate by the Secretary; and

“(C) the termination will—

“(i) address a compelling public need for which there is no practicable alternative even with avoidance and minimization; and

“(ii) further the practical administration of the program.

“(4) CONSENT.—The Secretary shall obtain consent from the landowner and eligible entity, if applicable, for any subordination, exchange, modification, or termination of interest in land, or portion of such interest, under this subsection.

“(5) NOTICE.—At least 90 days before taking any termination action described in paragraph (3), the Secretary shall provide written notice of such action to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.”; and

(3) in subsection (d)—

(A) in paragraph (1), by striking “transferred into the program” and inserting “enrolled in an easement under section 1265C(b)”; and

(B) by adding at the end the following:

“(3) AGRICULTURAL LAND EASEMENTS.—A farmer or rancher who owns eligible land subject to an agricultural land easement may enter into a contract under subchapter B of chapter 1 of subtitle D.”.

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

### **SEC. 2701. ESTABLISHMENT AND PURPOSES.**

Section 1271 of the Food Security Act of 1985 (16 U.S.C. 3871) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by inserting “, including partnership agreements funded through alternative funding arrangements or grant agreements under section 1271C(d),” after “partnership agreements”; and

(B) in paragraph (2), by striking “contracts with producers” and inserting “program contracts with producers”; and

(2) in subsection (b)—

(A) in paragraph (1), in the matter preceding subparagraph (A), by striking “use covered programs” and inserting “carry out eligible activities”; and

(B) by striking paragraph (2) and inserting the following:

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*“(2) To further the conservation, protection, restoration, and sustainable use of soil, water (including sources of drinking water and groundwater), wildlife, agricultural land, and related natural resources on eligible land on a regional or watershed scale.”;*

*(C) in paragraph (3)—*

*(i) in subparagraph (A), by inserting “, including through alignment of partnership projects with other national, State, and local agencies and programs addressing similar natural resource or environmental concerns” after “eligible land”; and*

*(ii) in subparagraph (B), by striking “installation” and inserting “adoption, installation,”; and*

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

*“(4) To encourage the flexible and streamlined delivery of conservation assistance to producers through partnership agreements.*

*“(5) To engage producers and eligible partners in conservation projects to achieve greater conservation outcomes and benefits for producers than would otherwise be achieved.”.*

**SEC. 2702. DEFINITIONS.**

*Section 1271A of the Food Security Act of 1985 (16 U.S.C. 3871a) is amended—*

*(1) in paragraph (1)—*

*(A) in subparagraph (C), by inserting “, not including the grassland conservation initiative under section 1240L–1” before the period at the end; and*

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

*“(E) The conservation reserve program established under subchapter B of chapter 1 of subtitle D.*

*“(F) The programs established by the Secretary to carry out the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.), except for any program established by the Secretary to carry out section 14 (16 U.S.C. 1012) of that Act.”;*

*(2) by striking paragraphs (2) and (3) and inserting the following:*

*“(2) ELIGIBLE ACTIVITY.—The term ‘eligible activity’ means a practice, activity, agreement, easement, or related conservation measure that is available under the statutory authority for a covered program.*

*“(3) ELIGIBLE LAND.—The term ‘eligible land’ means any agricultural or nonindustrial private forest land or associated land on which the Secretary determines an eligible activity would help achieve conservation benefits.”;*

*(3) in paragraph (4)—*

*(A) in subparagraph (E), by inserting “acequia,” after “irrigation district,”; and*

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

*“(I) An organization described in section 1265A(3)(B).*

*“(J) A conservation district.”;*

*(4) by striking paragraph (5) and inserting the following:*

*“(5) PARTNERSHIP AGREEMENT.—The term ‘partnership agreement’ means the programmatic agreement entered into be-*

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*tween the Secretary and an eligible partner, subject to the terms and conditions under section 1271B.”; and*

*(5) by adding at the end the following:*

*“(7) PROGRAM CONTRACT.—*

*“(A) IN GENERAL.—The term ‘program contract’ means the contract between the Secretary and a producer entered into under this subtitle.*

*“(B) EXCLUSION.—The term ‘program contract’ does not include a contract under a covered program.”.*

**SEC. 2703. REGIONAL CONSERVATION PARTNERSHIPS.**

*Section 1271B of the Food Security Act of 1985 (16 U.S.C. 3871b) is amended—*

*(1) by striking subsection (b) and inserting the following:*

*“(b) LENGTH.—*

*“(1) IN GENERAL.—A partnership agreement shall be—*

*“(A) for a period not to exceed 5 years; or*

*“(B) for a period that is longer than 5 years, if the longer period is necessary to meet the objectives of the program, as determined by the Secretary.*

*(2) RENEWAL.—A partnership agreement may be renewed under subsection (e)(5) for a period not to exceed 5 years.*

*(3) EXTENSION.—A partnership agreement, or any renewal of a partnership agreement, may each be extended 1 time for a period not longer than 12 months, as determined by the Secretary.”;*

*(2) in subsection (c)—*

*(A) in paragraph (1)—*

*(i) in subparagraph (A)—*

*(I) by redesignating clauses (iii) and (iv) as clauses (iv) and (v), respectively; and*

*(II) by striking clauses (i) and (ii) and inserting the following:*

*“(i) 1 or more conservation benefits that the project shall achieve;*

*“(ii) the eligible activities on eligible land to be conducted under the project to achieve conservation benefits;*

*“(iii) the implementation timeline for carrying out the project, including any interim milestones;”;*

*(ii) in subparagraph (D), by striking “funds” and inserting “contributions”; and*

*(iii) in subparagraph (E), by striking “of the project’s effects; and” and inserting the following: “of—*

*“(i) the progress made by the project in achieving each conservation benefit defined in the partnership agreement, including in a quantified form to the extent practicable; and*

*“(ii) as appropriate, other outcomes of the project; and”;*

*(B) in paragraph (2)—*

*(i) by striking “An eligible” and inserting the following:*

*“(A) IN GENERAL.—An eligible”; and*

*(ii) by adding at the end the following:*

*“(B) FORM.—A contribution of an eligible partner under this paragraph may be in the form of—*

*“(i) direct funding;*

*“(ii) in-kind support; or*

*“(iii) a combination of direct funding and in-kind support.*

*“(C) TREATMENT.—Any amounts expended during the period beginning on the date on which the Secretary announces the approval of an application under subsection (e) and ending on the day before the effective date of the partnership agreement by an eligible partner for staff salaries or development of the partnership agreement may be considered to be a part of the contribution of the eligible partner under this paragraph.”;*

*(3) by redesignating subsection (d) as subsection (e);*

*(4) by inserting after subsection (c) the following:*

*“(d) DUTIES OF SECRETARY.—The Secretary shall—*

*“(1) establish a timeline for carrying out the duties of the Secretary under a partnership agreement, including—*

*“(A) entering into program contracts with producers;*

*“(B) providing financial assistance to producers; and*

*“(C) in the case of a partnership agreement that is funded through an alternative funding arrangement or grant agreement under section 1271C(d), providing the payments to the eligible partner for carrying out eligible activities;*

*“(2) identify in each State a program coordinator for the State, who shall be responsible for providing assistance to eligible partners under the program;*

*“(3) establish guidance to assist eligible partners with carrying out the assessment required under subsection (c)(1)(E);*

*“(4) provide to each eligible partner that has entered into a partnership agreement that is not funded through an alternative funding arrangement or grant agreement under section 1271C(d)—*

*“(A) a semiannual report describing the status of each pending and obligated contract under the project of the eligible partner; and*

*“(B) an annual report describing how the Secretary used amounts reserved by the Secretary for that year for technical assistance under section 1271D(f); and*

*“(5) ensure that any eligible activity effectively achieves the conservation benefits identified in the partnership agreement under subsection (c)(1)(A)(i).”;*

*(5) in subsection (e) (as redesignated by paragraph (3))—*

*(A) in paragraph (1), by inserting “simplified” after “conduct a”;*

*(B) in paragraph (3)—*

*(i) by striking the paragraph designation and heading and all that follows through “description of—” and inserting the following:*

*“(3) CONTENTS.—The Secretary shall develop a simplified application that includes a description of—”;*

*(ii) in subparagraph (C), by striking “, including the covered programs to be used”; and*



- (iii) in subparagraph (D), by striking “financial”;
- (C) in paragraph (4)—
  - (i) by striking subparagraph (D);
  - (ii) by redesignating subparagraphs (E) and (F) as subparagraphs (G) and (H), respectively; and
  - (iii) by inserting after subparagraph (C) the following:

“(D) build new partnerships with local, State, and private entities to include a diversity of stakeholders in the project;

“(E) deliver a high percentage of applied conservation—

“(i) to achieve conservation benefits; or

“(ii) in the case of a project in a critical conservation area under section 1271F, to address the priority resource concern for that critical conservation area;

“(F) implement the project consistent with existing watershed, habitat, or other area restoration plans;”;

(D) by adding at the end the following:

“(5) RENEWALS.—If the Secretary determines that a project that is the subject of a partnership agreement has met or exceeded the objectives of the project, the Secretary may renew the partnership agreement through an expedited noncompetitive process if the 1 or more eligible partners that are parties to the partnership agreement request the renewal in order—

“(A) to continue to implement the project under a renewal of the partnership agreement; or

“(B) to expand the scope of the project under a renewal of the partnership agreement, as long as the expansion is within the objectives and purposes of the original partnership agreement.”;

(6) by adding at the end the following:

“(f) NONAPPLICABILITY OF ADJUSTED GROSS INCOME LIMITATION.—The adjusted gross income limitation described in section 1001D(b)(1) shall not apply to an eligible partner under the program.”.

**SEC. 2704. ASSISTANCE TO PRODUCERS.**

Section 1271C of the Food Security Act of 1985 (16 U.S.C. 3871c) is amended—

(1) by striking subsections (a) and (b) and inserting the following:

“(a) IN GENERAL.—A producer may receive financial or technical assistance to conduct eligible activities on eligible land through a program contract entered into with the Secretary.

“(b) PROGRAM CONTRACTS.—

“(1) IN GENERAL.—The Secretary shall establish a program contract to be entered into with a producer to conduct eligible activities on eligible land, subject to such terms and conditions as the Secretary may establish.

“(2) APPLICATION BUNDLES.—

“(A) IN GENERAL.—An eligible partner may submit to the Secretary, on behalf of producers, a bundle of applications for assistance under the program through program contracts to address a substantial portion of the conserva-



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tion benefits to be achieved by the project, as defined in the partnership agreement.

“(B) PRIORITY.—The Secretary may give priority to applications described in subparagraph (A).”;

(2) in subsection (c)—

(A) in paragraph (1), by striking “In accordance with statutory requirements of the covered programs involved, the Secretary may make payments to a producer” and inserting “Subject to section 1271D, the Secretary may make payments to a producer”; and

(B) in paragraph (3), by striking “participating”; and

(3) by adding at the end the following:

“(d) FUNDING THROUGH ALTERNATIVE FUNDING ARRANGEMENTS OR GRANT AGREEMENTS.—

“(1) IN GENERAL.—A partnership agreement entered into with an eligible partner may be funded through an alternative funding arrangement or grant in accordance with this subsection.

“(2) DUTIES OF THE SECRETARY.—The Secretary shall—

“(A) under a funding agreement under paragraph (1)—

“(i) use funding made available to carry out this subtitle to provide funding directly to the eligible partner; and

“(ii) provide technical and administrative assistance, as mutually agreed by the parties; and

“(B) enter into not more than 15 alternative funding arrangements or grant agreements with 1 or more eligible partners each fiscal year.

“(3) DUTIES OF ELIGIBLE PARTNERS.—Under a funding agreement under paragraph (1), the eligible partner shall—

“(A) carry out eligible activities on eligible land in agreement with producers to achieve conservation benefits on a regional or watershed scale, such as—

“(i) infrastructure investments relating to agricultural or nonindustrial private forest production that would—

“(I) benefit multiple producers; and

“(II) address natural resource concerns such as drought, wildfire, or water quality impairment on the land covered by the project;

“(ii) projects addressing natural resources concerns in coordination with producers, including the development and implementation of watershed, habitat, or other area restoration plans;

“(iii) projects that use innovative approaches to leveraging the Federal investment in conservation with private financial mechanisms, in conjunction with agricultural production or forest resource management, such as—

“(I) the provision of performance-based payments to producers; and

“(II) support for an environmental market; or

“(iv) other projects for which the Secretary determines that the goals and objectives of the program

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would be easier to achieve through the funding agreement under paragraph (1); and

“(B) submit to the Secretary, in addition to any information that the Secretary requires to prepare the report under section 1271E(b), an annual report that describes the status of the project, including a description of—

“(i) the use of the funds awarded under paragraph (1);

“(ii) any subcontracts awarded;

“(iii) the producers receiving funding through the funding agreement under paragraph (1);

“(iv)(I) the progress made by the project in addressing each natural resource concern defined in the funding agreement under paragraph (1), including in a quantified form to the extent practicable; and

“(II) as appropriate, other outcomes of the project; and

“(v) any other reporting data the Secretary determines are necessary to ensure compliance with the program rules.”.

**SEC. 2705. FUNDING.**

Section 1271D of the Food Security Act of 1985 (16 U.S.C. 3871d) is amended—

(1) in subsection (a)—

(A) by striking “\$100,000,000” and inserting “\$300,000,000”; and

(B) by striking “2014 through 2018” and inserting “2019 through 2023”;

(2) by striking subsection (c);

(3) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively;

(4) in subsection (c) (as so redesignated)—

(A) in the matter preceding paragraph (1)—

(i) by striking “and acres”; and

(ii) by striking “and reserved for the program under subsection (c)”;

(B) in paragraph (1)—

(i) by striking “25 percent of the funds and acres to projects based on a State competitive process administered by the State Conservationist, with the advice of the State technical committee” and inserting “50 percent of the funds to projects based on a State or multistate competitive process administered by the Secretary at the local level with the advice of the applicable State technical committees”; and

(ii) by adding “and” after the semicolon;

(C) by striking paragraph (2);

(D) by redesignating paragraph (3) as paragraph (2);

and

(E) in paragraph (2) (as so redesignated), by striking “35 percent of the funds and acres” and inserting “50 percent of the funds”;

(5) in subsection (d) (as so redesignated)—

(A) by striking “None of the funds made available or reserved for the program” and inserting the following:

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“(1) *IN GENERAL.*—*Except as provided in paragraph (2), none of the funds made available for the program, including for a partnership agreement funded through an alternative funding arrangement or grant agreement under section 1271C(d),*”; and  
 (B) *by adding at the end the following:*

“(2) *PROJECT DEVELOPMENT AND OUTREACH.*—*Under a partnership agreement that is not funded through an alternative funding arrangement or grant agreement under section 1271C(d), the Secretary may advance reasonable amounts of funding for not longer than 90 days for technical assistance to eligible partners to conduct project development and outreach activities in a project area, including—*

“(A) *providing outreach and education to producers for potential participation in the project;*

“(B) *establishing baseline metrics to support the development of the assessment required under section 1271B(c)(1)(E); or*

“(C) *providing technical assistance to producers.*”; and

(6) *by adding at the end the following:*

“(e) *TECHNICAL ASSISTANCE.*—

“(1) *IN GENERAL.*—*At the time of project selection, the Secretary shall identify and make publicly available the amount that the Secretary shall use to provide technical assistance under the terms of the partnership agreement.*

“(2) *LIMITATION.*—*The Secretary shall limit costs of the Secretary for technical assistance to costs specific and necessary to carry out the objectives of the program.*

“(3) *THIRD-PARTY PROVIDERS.*—*The Secretary shall develop and implement strategies to encourage third-party technical service providers to provide technical assistance to eligible partners pursuant to a partnership agreement.*”.

**SEC. 2706. ADMINISTRATION.**

Section 1271E of the Food Security Act of 1985 (16 U.S.C. 3871e) is amended—

(1) *in subsection (a), by striking “1271B(d)” each place it appears and inserting “1271B(e);*

(2) *in subsection (b)—*

(A) *in the matter preceding paragraph (1), by striking “December 31, 2014” and inserting “December 31, 2019”;*

(B) *by redesignating paragraphs (1) through (4) as paragraphs (2) through (5), respectively;*

(C) *by inserting before paragraph (2) (as so redesignated) the following:*

“(1) *a summary of—*

“(A) *the progress made towards achieving the conservation benefits defined for the projects; and*

“(B) *any other related outcomes of the projects;*”; and

(D) *in paragraph (4) (as so redesignated), by striking “and” at the end;*

(E) *in paragraph (5) (as so redesignated)—*

(i) *in the matter preceding subparagraph (A), by striking “1271C(b)(2)” and inserting “1271C(d);” and*

(ii) *in subparagraph (C), by striking the period at the end and inserting “; and”; and*

(F) *by adding at the end the following:*

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“(6) in the case of a project within a critical conservation area under section 1271F, the status of each priority resource concern for each designated critical conservation area, including—

“(A) the priority resource concerns for which each critical conservation area is designated;

“(B) conservation goals and outcomes sufficient to demonstrate that progress is being made to address the priority resource concerns;

“(C) the partnership agreements selected to address each conservation goal and outcome; and

“(D) the extent to which each conservation goal and outcome is being addressed by the partnership agreements.”; and

(3) by adding at the end the following:

“(c) **COMPLIANCE WITH CERTAIN REQUIREMENTS.**—The Secretary may not provide assistance under the program to a producer unless the producer agrees, during the program year for which the assistance is provided—

“(1) to comply with applicable conservation requirements under subtitle B; and

“(2) to comply with applicable wetland protection requirements under subtitle C.

“(d) **HISTORICALLY UNDERSERVED PRODUCERS.**—To the maximum extent practicable, in carrying out the program, the Secretary and eligible partners shall conduct outreach to beginning farmers and ranchers, veteran farmers and ranchers, socially disadvantaged farmers and ranchers, and limited resource farmers and ranchers to encourage participation by those producers in a project subject to a partnership agreement or funding agreement under 1271C(d).

“(e) **REGULATIONS.**—The Secretary shall issue regulations to carry out the program.”.

**SEC. 2707. CRITICAL CONSERVATION AREAS.**

Section 1271F of the Food Security Act of 1985 (16 U.S.C. 3871f) is amended—

(1) by redesignating subsections (a), (b), and (c) as subsections (b), (c), and (e), respectively;

(2) by inserting before subsection (b) (as so redesignated) the following:

“(a) **DEFINITIONS.**—In this section:

“(1) **CRITICAL CONSERVATION AREA.**—The term ‘critical conservation area’ means a geographical area that contains a critical conservation condition that can be addressed through the program.

“(2) **PRIORITY RESOURCE CONCERN.**—The term ‘priority resource concern’ means a natural resource concern located in a critical conservation area that can be addressed through—

“(A) water quality improvement, including through reducing erosion, promoting sediment control, and addressing nutrient management activities affecting large bodies of water of regional, national, or international significance;

“(B) water quantity improvement, including improvement relating to—

“(i) drought;

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“(ii) groundwater, surface water, aquifer, or other water sources; or

“(iii) water retention and flood prevention;

“(C) wildlife habitat restoration to address species of concern at a Federal, State, or local level; and

“(D) other natural resource improvements, as determined by the Secretary, within the critical conservation area.”;

(3) in subsection (b) (as so redesignated)—

(A) by striking “(b) IN GENERAL.—” and inserting the following:

“(b) APPLICATIONS.—”;

(B) by striking “1271D(d)(3)” and inserting “1271D(d)(2)”;

(C) by striking “producer” and inserting “program”;

and

(D) by inserting “that address 1 or more priority resource concerns for which the critical conservation area is designated” before the period at the end;

(4) in subsection (c) (as so redesignated)—

(A) by redesignating paragraphs (1) through (3) as paragraphs (2) through (4), respectively;

(B) by inserting before paragraph (2) (as so redesignated) the following:

“(1) IN GENERAL.—The Secretary shall identify 1 or more priority resource concerns that apply to each critical conservation area designated under this section after the date of enactment of the Agricultural Act of 2014 (Public Law 113–79; 128 Stat. 649), including the conservation goals and outcomes sufficient to demonstrate that progress is being made to address the priority resource concern.”;

(C) in paragraph (2) (as so redesignated)—

(i) by striking subparagraphs (C) and (D) and inserting the following:

“(C) contains 1 or more priority resource concerns; or”;

and

(ii) by redesignating subparagraph (E) as subparagraph (D); and

(D) by striking paragraph (3) (as so redesignated) and inserting the following:

“(3) REVIEW AND WITHDRAWAL.—The Secretary may—

“(A) review designations of critical conservation areas under this section not more frequently than once every 5 years; and

“(B) withdraw designation of a critical conservation area only if the Secretary determines that the area is no longer a critical conservation area.”;

(5) by inserting after subsection (c) (as so redesignated) the following:

“(d) OUTREACH TO ELIGIBLE PARTNERS AND PRODUCERS.—The Secretary shall provide outreach and education to eligible partners and producers in critical conservation areas designated under this section to encourage the development of projects to address each priority resource concern identified by the Secretary for that critical conservation area.”; and



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(6) in subsection (e) (as so redesignated)—  
 (A) in paragraph (1), by striking “producer” and inserting “program”; and  
 (B) by striking paragraph (3).

## **Subtitle H—Repeals and Technical Amendments**

### **PART I—REPEALS**

**SEC. 2811. REPEAL OF CONSERVATION CORRIDOR DEMONSTRATION PROGRAM.**

(a) *IN GENERAL.*—Subtitle G of title II of the Farm Security and Rural Investment Act of 2002 (16 U.S.C. 3801 note; Public Law 107–171) is repealed.

(b) *CONFORMING AMENDMENT.*—Section 5059 of the Water Resources Development Act of 2007 (16 U.S.C. 3801 note; Public Law 110–114) is repealed.

**SEC. 2812. REPEAL OF CRANBERRY ACREAGE RESERVE PROGRAM.**

Section 10608 of the Farm Security and Rural Investment Act of 2002 (16 U.S.C. 3801 note; Public Law 107–171) is repealed.

**SEC. 2813. REPEAL OF NATIONAL NATURAL RESOURCES FOUNDATION.**

Subtitle F of title III of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 5801 et seq.) is repealed.

**SEC. 2814. REPEAL OF FLOOD RISK REDUCTION.**

Section 385 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7334) is repealed.

**SEC. 2815. REPEAL OF STUDY OF LAND USE FOR EXPIRING CONTRACTS AND EXTENSION OF AUTHORITY.**

Section 1437 of the Food, Agriculture, Conservation, and Trade Act of 1990 (16 U.S.C. 3831 note; Public Law 101–624) is repealed.

**SEC. 2816. REPEAL OF INTEGRATED FARM MANAGEMENT PROGRAM OPTION.**

Section 1451 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5822) is repealed.

**SEC. 2817. REPEAL OF CLARIFICATION OF DEFINITION OF AGRICULTURAL LANDS.**

Section 325 of the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104–127; 110 Stat. 992) is repealed.

### **PART II—TECHNICAL AMENDMENTS**

**SEC. 2821. TECHNICAL AMENDMENTS.**

(a) *WATERSHED PROTECTION AND FLOOD PREVENTION ACT.*—Section 5(4) of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1005(4)) is amended—

(1) by striking “goodwater” and inserting “floodwater”; and  
 (2) by striking “Secretary of Health, Education, and Welfare” each place it appears and inserting “Secretary of Health and Human Services”.

(b) *DELINEATION OF WETLANDS; EXEMPTIONS.*—Section 1222(j) of the Food Security Act of 1985 (16 U.S.C. 3822(j)) is amended by



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striking “National Resources Conservation Service” and inserting “Natural Resources Conservation Service”.

(c) *FARMABLE WETLAND PROGRAM*.—Section 1231B(b)(2)(A)(i) of the Food Security Act of 1985 (16 U.S.C. 3831b(b)(2)(A)(i)) is amended by adding a semicolon at the end.

(d) *TERMINAL LAKES ASSISTANCE*.—Section 2507 of the Farm Security and Rural Investment Act of 2002 (16 U.S.C. 3839bb–6) is amended—

(1) in subsection (e)—

(A) by striking paragraph (1);

(B) by redesignating paragraph (2) as paragraph (1); and

(C) by adding at the end the following:

“(2) *NO ADDITIONAL FUNDS*.—

“(A) *IN GENERAL*.—Nothing in this section authorizes any additional funds to carry out this section.

“(B) *AVAILABILITY OF FUNDS*.—Any funds made available to carry out this section before the date of enactment of the Agriculture Improvement Act of 2018 may remain available until expended.”; and

(2) by adding at the end the following:

“(f) *TERMINATION OF AUTHORITY*.—The authority provided by this section shall terminate on October 1, 2023.”.

(e) *DELIVERY OF TECHNICAL ASSISTANCE*.—Section 1242 of the Food Security Act of 1985 (16 U.S.C. 3842) is amended by striking “third party” each place it appears and inserting “third-party”.

(f) *ADMINISTRATIVE REQUIREMENTS FOR CONSERVATION PROGRAMS*.—Section 1244(b)(4)(B) of the Food Security Act of 1985 (16 U.S.C. 3844(b)(4)(B)) is amended by striking “General Accounting Office” and inserting “Government Accountability Office”.

**SEC. 2822. STATE TECHNICAL COMMITTEES.**

(a) *STANDARDS*.—Section 1261(b)(2) of the Food Security Act of 1985 (16 U.S.C. 3861(b)(2)) is amended by striking “under section 1262(b)”.

(b) *COMPOSITION*.—Section 1261(c) of the Food Security Act of 1985 (16 U.S.C. 3861(c)) is amended by adding at the end the following:

“(14) The State Cooperative Extension Service and land grant university in the State.”.

## **TITLE III—TRADE**

### **Subtitle A—Food for Peace Act**

**SEC. 3101. LABELING REQUIREMENTS.**

Section 202(g) of the Food for Peace Act (7 U.S.C. 1722(g)) is amended to read as follows:

“(g) *LABELING OF ASSISTANCE*.—Agricultural commodities and other assistance provided under this title shall, to the extent practicable, be clearly identified with appropriate markings on the package or container of such agricultural commodities or food procured outside of the United States, or on printed material that accompanies other assistance, in the language of the locality in which

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*such commodities and other assistance are distributed, as being furnished by the people of the United States of America.”.*

**SEC. 3102. FOOD AID QUALITY ASSURANCE.**

*Section 202(h)(3) of the Food for Peace Act (7 U.S.C. 1722(h)(3)) is amended by striking “2018” and inserting “2023”.*

**SEC. 3103. LOCAL SALE AND BARTER OF COMMODITIES.**

*Section 203 of the Food for Peace Act (7 U.S.C. 1723) is amended—*

- (1) in subsection (a), by inserting “to generate proceeds to be used as provided in this section” before the period at the end;*
- (2) by striking subsection (b); and*
- (3) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.*

**SEC. 3104. MINIMUM LEVELS OF ASSISTANCE.**

*Section 204(a) of the Food for Peace Act (7 U.S.C. 1724(a)) is amended in paragraphs (1) and (2) by striking “2018” both places it appears and inserting “2023”.*

**SEC. 3105. FOOD AID CONSULTATIVE GROUP.**

*Section 205 of the Food for Peace Act (7 U.S.C. 1725) is amended—*

- (1) in subsection (d)(1), in the first sentence, by striking “45” and inserting “30”; and*
- (2) in subsection (f), by striking “2018” and inserting “2023”.*

**SEC. 3106. ISSUANCE OF REGULATIONS.**

*Section 207(c)(1) of the Food for Peace Act (7 U.S.C. 1726a(c)(1)) is amended by striking “the Agricultural Act of 2014” and inserting “the Agriculture Improvement Act of 2018”.*

**SEC. 3107. OVERSIGHT, MONITORING, AND EVALUATION.**

*Section 207(f)(4) of the Food for Peace Act (7 U.S.C. 1726a(f)(4)) is amended—*

- (1) in subparagraph (A)—*
  - (A) by striking “\$17,000,000” and inserting “1.5 percent, but not less than \$17,000,000,”; and*
  - (B) by striking “2018” each place it appears and inserting “2023”; and*
- (2) in subparagraph (B)—*
  - (A) in clause (i), by striking “2018” and inserting “2023”; and*
  - (B) in clause (ii), by striking “chapter 1 of part I of”.*

**SEC. 3108. ASSISTANCE FOR STOCKPILING AND RAPID TRANSPORTATION, DELIVERY, AND DISTRIBUTION OF SHELF-STABLE PREPACKAGED FOODS.**

*Section 208 of the Food for Peace Act (7 U.S.C. 1726b) is amended—*

- (1) by amending the section heading to read as follows: “INTERNATIONAL FOOD RELIEF PARTNERSHIP.”; and*
- (2) in subsection (f), by striking “2018” and inserting “2023”.*

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**SEC. 3109. CONSIDERATION OF IMPACT OF PROVISION OF AGRICULTURAL COMMODITIES AND OTHER ASSISTANCE ON LOCAL FARMERS AND ECONOMY.**

(a) *INCLUSION OF ALL MODALITIES.*—Section 403(a) of the Food for Peace Act (7 U.S.C. 1733(a)) is amended—

(1) in the matter preceding paragraph (1), by inserting “, food procured outside of the United States, food voucher, or cash transfer for food” after “agricultural commodity”;

(2) in paragraph (1), by inserting “in the case of the provision of an agricultural commodity,” before “adequate”; and

(3) in paragraph (2), by striking “commodity” and inserting “agricultural commodity or use of the food procured outside of the United States, food voucher, or cash transfer for food”.

(b) *AVOIDANCE OF DISRUPTIVE IMPACT.*—Section 403(b) of the Food for Peace Act (7 U.S.C. 1733(b)) is amended—

(1) in the first sentence, by inserting “, the use of food procured outside of the United States, food vouchers, and cash transfers for food,” after “agricultural commodities”; and

(2) in the second sentence, by striking “of sales of agricultural commodities”.

**SEC. 3110. ALLOWANCE FOR DISTRIBUTION COSTS.**

Section 406(b)(6) of the Food for Peace Act (7 U.S.C. 1736(b)(6)) is amended by striking “and distribution costs” and inserting “, distribution, and program implementation costs to use the commodities”.

**SEC. 3111. PREPOSITIONING OF AGRICULTURAL COMMODITIES.**

Section 407(c)(4)(A) of the Food for Peace Act (7 U.S.C. 1736a(c)(4)(A)) is amended by striking “2018” each place it appears and inserting “2023”.

**SEC. 3112. ANNUAL REPORT REGARDING FOOD AID PROGRAMS AND ACTIVITIES.**

(a) *IN GENERAL.*—Section 407(f) of the Food for Peace Act (7 U.S.C. 1736a(f)) is amended to read as follows:

“(f) *ANNUAL REPORT REGARDING FOOD AID PROGRAMS AND ACTIVITIES.*—

“(1) *ANNUAL REPORT.*—Not later than April 1 of each fiscal year, the Administrator and the Secretary shall jointly, or each separately, prepare and submit to the appropriate committees of Congress a report regarding each program and activity carried out under this Act by the Administrator, the Secretary, or both, as applicable, during the prior fiscal year.

“(2) *CONTENTS.*—An annual report described in paragraph (1) shall include, with respect to the prior fiscal year, the following:

“(A) A list that contains a description of each country and organization that receives food and other assistance under this Act (including the quantity of food and assistance provided to each country and organization).

“(B) A general description of each project and activity implemented under this Act (including each activity funded through the use of local currencies) and the total number of beneficiaries of the project.

“(C) A statement describing the quantity of agricultural commodities made available to, and the total number of beneficiaries in, each country pursuant to—

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*“(i) this Act;**“(ii) section 416(b) of the Agricultural Act of 1949 (7 U.S.C. 1431(b));**“(iii) the Food for Progress Act of 1985 (7 U.S.C. 1736o); and**“(iv) the McGovern-Dole International Food for Education and Child Nutrition Program established by section 3107 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736o–1).**“(D) An assessment of the progress made through programs under this Act towards reducing food insecurity in the populations receiving food assistance from the United States.**“(E) A description of efforts undertaken by the Food Aid Consultative Group under section 205 to achieve an integrated and effective food assistance program.**“(F) An assessment of—**“(i) each program oversight, monitoring, and evaluation system implemented under section 207(f); and**“(ii) the impact of each program oversight, monitoring, and evaluation system on the effectiveness and efficiency of assistance provided under this title.**“(G) An assessment of the progress made by the Administrator in addressing issues relating to quality with respect to the provision of food assistance.**“(H) A statement of the amount of funds (including funds for administrative costs, indirect cost recovery, internal transportation, storage and handling, and associated distribution costs) provided to each eligible organization that received assistance under this Act, that further describes the following:**“(i) How such funds were used by the eligible organization.**“(ii) The actual rate of return for each commodity made available under this Act, including factors that influenced the rate of return, and, for the commodity, the costs of bagging or further processing, ocean transportation, inland transportation in the recipient country, storage costs, and any other information that the Administrator and the Secretary determine to be necessary.**“(iii) For each instance in which a commodity was made available under this Act at a rate of return less than 70 percent, the reasons for the rate of return realized.**“(I) For funds expended for purposes of section 202(e), 406(b)(6), and 407(c)(1)(B), a detailed accounting of the expenditures and purposes of such expenditures with respect to each such section.**“(3) RATE OF RETURN DESCRIBED.—For purposes of applying subparagraph (H) of paragraph (2), the rate of return for a commodity shall be equal to the proportion that—**“(A) the proceeds the implementing partners generate through monetization; bears to*

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*“(B) the cost to the Federal Government to procure and ship the commodity to a recipient country for monetization.”.*

*(b) CONFORMING REPEAL.—Subsection (m) of section 403 of the Food for Peace Act (7 U.S.C. 1733) is repealed.*

**SEC. 3113. DEADLINE FOR AGREEMENTS TO FINANCE SALES OR TO PROVIDE OTHER ASSISTANCE.**

*Section 408 of the Food for Peace Act (7 U.S.C. 1736b) is amended by striking “2018” and inserting “2023”.*

**SEC. 3114. MINIMUM LEVEL OF NONEMERGENCY FOOD ASSISTANCE.**

*Section 412(e) of the Food for Peace Act (7 U.S.C. 1736f(e)) is amended to read as follows:*

*“(e) MINIMUM LEVEL OF NONEMERGENCY FOOD ASSISTANCE.—*

*“(1) IN GENERAL.—For each of fiscal years 2019 through 2023, not less than \$365,000,000 of the amounts made available to carry out emergency and nonemergency food assistance programs under title II, nor more than 30 percent of such amounts, shall be expended for nonemergency food assistance programs under such title.*

*“(2) COMMUNITY DEVELOPMENT FUNDS.—Funds appropriated each year to carry out part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) that are made available through grants or cooperative agreements to strengthen food security in developing countries and that are consistent with section 202(e)(1)(C) may be considered amounts expended for non-emergency food assistance programs for purposes of paragraph (1).*

*“(3) FARMER-TO-FARMER PROGRAM.—In determining the amount expended for a fiscal year for nonemergency food assistance programs under paragraph (1), amounts expended for that year to carry out programs under section 501 may be considered amounts expended for nonemergency food assistance programs.”.*

**SEC. 3115. TERMINATION DATE FOR MICRONUTRIENT FORTIFICATION PROGRAMS.**

*Section 415(c) of the Food for Peace Act (7 U.S.C. 1736g–2(c)) is amended by striking “2018” and inserting “2023”.*

**SEC. 3116. JOHN OGWONSKI AND DOUG BEREUTER FARMER-TO-FARMER PROGRAM.**

*Section 501 of the Food for Peace Act (7 U.S.C. 1737) is amended—*

*(1) in subsection (b)—*

*(A) in the matter preceding paragraph (1), by inserting “section 1342 of title 31, United States Code, or” after “Notwithstanding”;*

*(B) in paragraph (1) by inserting “technical” before “assistance”; and*

*(C) in paragraph (2)—*

*(i) in the matter preceding subparagraph (A), by inserting “employees or staff of a State cooperative institution (as such term is defined in paragraph 18 of section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103), except that subparagraphs (E), (F), and (G) of*



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such paragraph shall not apply),” after “private corporations,”; and

(ii) in subparagraph (A)—

(I) by striking “; and” at the end of clause (viii); and

(II) by striking clause (ix) and inserting the following:

“(ix) agricultural education and extension;

“(x) selection of seed varieties and plant stocks;

“(xi) knowledge of insecticide and sanitation procedures to prevent crop destruction;

“(xii) use and maintenance of agricultural equipment and irrigation systems; and

“(xiii) selection of fertilizers and methods of soils treatment; and”;

(2) in subsection (d), in the matter preceding paragraph (1), by striking “2018” and inserting “2023”;

(3) in subsection (e)(1), in the matter preceding subparagraph (A), by striking “2018” and inserting “2023”; and

(4) by adding at the end the following:

“(f) GRANT PROGRAM TO CREATE NEW PARTNERS AND INNOVATION.—

“(1) IN GENERAL.—The Administrator of the Agency for International Development shall develop a grant program to be carried out in fiscal years 2019 through 2023 to facilitate new and innovative partnerships and activities under this title.

“(2) USE OF FUNDS.—A grant recipient under this subsection shall use funds received under this subsection to—

“(A) prioritize new implementing partners;

“(B) develop innovative volunteer models;

“(C) develop, improve, or maintain strategic partnerships with other United States development programs; and

“(D) expand the footprint and impact of the programs and activities under this title, and diversity among program participants, including land-grant colleges and universities and cooperative extension services (as such terms are defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)).”.

## **Subtitle B—Agricultural Trade Act of 1978**

### **SEC. 3201. AGRICULTURAL TRADE PROMOTION AND FACILITATION.**

(a) IN GENERAL.—Section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) is amended to read as follows:

#### **“SEC. 203. AGRICULTURAL TRADE PROMOTION AND FACILITATION.**

“(a) ESTABLISHMENT.—The Secretary shall carry out activities under this section—

“(1) to access, develop, maintain, and expand markets for United States agricultural commodities; and

“(2) to promote cooperation and the exchange of information.

“(b) MARKET ACCESS PROGRAM.—



*“(1) DEFINITION OF ELIGIBLE TRADE ORGANIZATION.—In this subsection, the term ‘eligible trade organization’ means—*

*“(A) a United States agricultural trade organization or regional State-related organization that promotes the export and sale of United States agricultural commodities and that does not stand to profit directly from specific sales of United States agricultural commodities;*

*“(B) a cooperative organization or State agency that promotes the sale of United States agricultural commodities; or*

*“(C) a private organization that promotes the export and sale of United States agricultural commodities if the Secretary determines that such organization would significantly contribute to United States export market development.*

*“(2) IN GENERAL.—The Commodity Credit Corporation shall establish and carry out a program, to be known as the ‘Market Access Program’, to encourage the development, maintenance, and expansion of commercial export markets for United States agricultural commodities (including commodities that are organically produced (as defined in section 2103 of the Organic Foods Production Act of 1990 (7 U.S.C. 6502))) through cost-share assistance to eligible trade organizations that implement a foreign market development program.*

*“(3) PARTICIPATION REQUIREMENTS.—*

*“(A) MARKETING PLAN AND OTHER REQUIREMENTS.—To be eligible for cost-share assistance under this subsection, an eligible trade organization shall—*

*“(i) prepare and submit a marketing plan to the Secretary that meets the guidelines governing such a marketing plan specified in this paragraph or otherwise established by the Secretary;*

*“(ii) meet any other requirements established by the Secretary; and*

*“(iii) enter into an agreement with the Secretary.*

*“(B) PURPOSE OF MARKETING PLAN.—A marketing plan submitted under this paragraph shall describe the advertising or other market oriented export promotion activities to be carried out by the eligible trade organization with respect to which assistance under this subsection is being requested.*

*“(C) SPECIFIC ELEMENTS.—To be approved by the Secretary, a marketing plan submitted under this paragraph shall—*

*“(i) specifically describe the manner in which assistance received by the eligible trade organization, in conjunction with funds and services provided by the eligible trade organization, will be expended in implementing the marketing plan;*

*“(ii) establish specific market goals to be achieved under the marketing plan; and*

*“(iii) contain whatever additional requirements are determined by the Secretary to be necessary.*

*“(D) BRANDED PROMOTION.—A marketing plan approved by the Secretary may provide for the use of branded*

*advertising to promote the sale of United States agricultural commodities in a foreign country under such terms and conditions as may be established by the Secretary.*

*“(E) AMENDMENTS.—An approved marketing plan may be amended by the eligible trade organization at any time, subject to the approval of the amendment by the Secretary.*

*“(4) LEVEL OF ASSISTANCE AND COST-SHARE REQUIREMENTS.—*

*“(A) IN GENERAL.—The Secretary shall justify in writing the level of assistance to be provided to an eligible trade organization under this subsection and the level of cost sharing required of the organization.*

*“(B) LIMITATION ON BRANDED PROMOTION.—Assistance provided under this subsection for activities described in paragraph (3)(D) shall not exceed 50 percent of the cost of implementing the marketing plan, except that the Secretary may determine not to apply such limitation in the case of United States agricultural commodities with respect to which there has been a favorable decision by the United States Trade Representative under section 301 of the Trade Act of 1974 (19 U.S.C. 2411). Criteria used by the Secretary for determining that the limitation shall not apply shall be consistent and documented.*

*“(5) OTHER TERMS AND CONDITIONS.—*

*“(A) MULTIYEAR BASIS.—The Secretary may provide assistance under this subsection on a multiyear basis, subject to annual review by the Secretary for compliance with the approved marketing plan.*

*“(B) TERMINATION OF ASSISTANCE.—The Secretary may terminate any assistance made, or to be made, available under this subsection if the Secretary determines that—*

*“(i) the eligible trade organization is not adhering to the terms and conditions applicable to the provision of the assistance;*

*“(ii) the eligible trade organization is not implementing the approved marketing plan or is not adequately meeting the established goals of the plan;*

*“(iii) the eligible trade organization is not adequately contributing its own resources to the implementation of the plan; or*

*“(iv) the Secretary determines that termination of assistance in a particular instance is in the best interests of the Market Access Program.*

*“(C) EVALUATIONS.—Beginning not later than 15 months after the initial provision of assistance under this subsection to an eligible trade organization, the Secretary shall monitor the expenditures by the eligible trade organization of such assistance, including the following:*

*“(i) An evaluation of the effectiveness of the marketing plan of the eligible trade organization in developing or maintaining markets for United States agricultural commodities.*

*“(ii) An evaluation of whether assistance provided under this subsection is necessary to maintain such markets.*

*“(iii) A thorough accounting of the expenditure by the eligible trade organization of the assistance provided under this subsection.*

*“(6) RESTRICTIONS ON USE OF FUNDS.—Assistance provided under this subsection to an eligible trade organization may not be used—*

*“(A) to provide direct assistance to any foreign for-profit corporation for the corporation’s use in promoting foreign-produced products; or*

*“(B) to provide direct assistance to any for-profit corporation that is not recognized as a small business concern (as described in section 3(a) of the Small Business Act (15 U.S.C. 632(a))), excluding—*

*“(i) a cooperative;*

*“(ii) an association described in the first section of the Act entitled ‘An Act To authorize association of producers of agricultural products’, approved February 18, 1922 (7 U.S.C. 291); or*

*“(iii) a nonprofit trade association.*

*“(7) PERMISSIVE USE OF FUNDS.—Assistance provided under this subsection to a United States agricultural trade association, cooperative, or small business may be used for individual branded promotional activity related to a United States branded product, if the beneficiaries of the activity have provided funds for the activity in an amount that is at least equivalent to the amount of such assistance.*

*“(8) PRIORITY.—In providing assistance for branded promotion, the Secretary should give priority to small-sized entities.*

*“(9) CONTRIBUTION LEVEL.—*

*“(A) IN GENERAL.—The Secretary should require a minimum contribution level of 10 percent from an eligible trade organization that receives assistance for nonbranded promotion.*

*“(B) INCREASES IN CONTRIBUTION LEVEL.—The Secretary may increase the contribution level in any subsequent year that an eligible trade organization receives assistance for nonbranded promotion.*

*“(10) ADDITIONALITY.—The Secretary should require each participant in the Market Access Program to certify that any Federal funds received supplement, but do not supplant, private or third party participant funds or other contributions to Program activities.*

*“(11) INDEPENDENT AUDITS.—If as a result of an evaluation or audit of activities of a participant under the Market Access Program, the Secretary determines that a further review is justified in order to ensure compliance with the requirements of the Program, the Secretary should require the participant to contract for an independent audit of the Program activities, including activities of any subcontractor.*

*“(12) TOBACCO.—No funds made available under the Market Access Program may be used for activities to develop, maintain, or expand foreign markets for tobacco.*

*“(c) FOREIGN MARKET DEVELOPMENT COOPERATOR PROGRAM.—*

*“(1) DEFINITION OF ELIGIBLE TRADE ORGANIZATION.—In this subsection, the term ‘eligible trade organization’ means a United States trade organization that—*

*“(A) promotes the export of 1 or more United States agricultural commodities; and*

*“(B) does not have a business interest in or receive remuneration from specific sales of agricultural commodities.*

*“(2) ESTABLISHMENT.—The Secretary shall establish and, in cooperation with eligible trade organizations, carry out a program to be known as the ‘Foreign Market Development Cooperator Program’ to maintain and develop foreign markets for United States agricultural commodities.*

*“(3) USE OF FUNDS.—Funds made available to carry out this subsection shall be used only to provide—*

*“(A) cost-share assistance to an eligible trade organization under a contract or agreement with the eligible trade organization; and*

*“(B) assistance for other costs that are appropriate to carry out the Foreign Market Development Cooperator Program, including contingent liabilities that are not otherwise funded.*

*“(d) E (KIKI) DE LA GARZA EMERGING MARKETS PROGRAM.—*

*“(1) DEFINITION OF EMERGING MARKET.—In this subsection, the term ‘emerging market’ means any country, foreign territory, customs union, or other economic market that the Secretary determines—*

*“(A) is taking steps toward a market-oriented economy through the food, agriculture, or rural business sectors of its economy; and*

*“(B) has the potential to provide a viable and significant market for United States agricultural commodities.*

*“(2) ESTABLISHMENT.—The Secretary shall establish and carry out a program, to be known as the ‘E (Kika) de la Garza Emerging Markets Program’—*

*“(A) to develop agricultural markets in emerging markets; and*

*“(B) to promote cooperation and exchange of information between agricultural institutions and agribusinesses in the United States and emerging markets.*

*“(3) DEVELOPMENT OF AGRICULTURAL SYSTEMS.—*

*“(A) IN GENERAL.—*

*“(i) IMPLEMENTATION.—To develop, maintain, or expand markets for exports of United States agricultural commodities, the Secretary shall make available to emerging markets the expertise of the United States—*

*“(I) to make assessments of food and rural business systems needs;*

*“(II) to make recommendations on measures necessary to enhance the effectiveness of the food and rural business systems described in subclause (I), including potential reductions in trade barriers; and*

*“(III) to identify and carry out specific opportunities and projects to enhance the effectiveness of*

*the food and rural business systems described in subclause (I).*

*“(ii) EXTENT OF PROGRAM.—The Secretary shall implement this subparagraph with respect to at least 3 emerging markets in each fiscal year.*

*“(B) EXPERTS FROM THE UNITED STATES.—The Secretary may implement subparagraph (A) by providing—*

*“(i) assistance to teams (consisting primarily of agricultural consultants, agricultural producers, other persons from the private sector, and government officials expert in assessing the food and rural business systems of other countries) to enable those teams to conduct the assessments, make the recommendations, and identify the opportunities and projects described in subparagraph (A)(i) in emerging markets;*

*“(ii) for necessary subsistence and transportation expenses of—*

*“(I) United States food and rural business system experts, including United States agricultural producers and other United States individuals knowledgeable in agricultural and agribusiness matters, to enable such United States food and rural business system experts to assist in transferring knowledge and expertise to entities from emerging markets; and*

*“(II) individuals designated by emerging markets to enable such designated individuals to consult with such United States experts to enhance food and rural business systems of such emerging markets and to transfer knowledge and expertise to such emerging markets.*

*“(C) COST-SHARING.—The Secretary shall encourage the nongovernmental experts described in subparagraph (B) to share the costs of, and otherwise assist in, the participation of those experts in the E (Kika) de la Garza Emerging Markets Program.*

*“(D) TECHNICAL ASSISTANCE.—The Secretary is authorized to provide, or pay the necessary costs for, technical assistance (including the establishment of extension services) to enable individuals or other entities to carry out recommendations, projects, and opportunities in emerging markets, including recommendations, projects, and opportunities described in subclauses (II) and (III) of subparagraph (A)(i).*

*“(E) REPORTS TO SECRETARY.—A team that receives assistance under subparagraph (B)(i) shall prepare and submit to the Secretary such reports as the Secretary may require.*

*“(F) ADVISORY COMMITTEE.—To provide the Secretary with information that may be useful to the Secretary in carrying out this subsection, the Secretary may establish an advisory committee composed of representatives of the various sectors of the food and rural business systems of the United States.*



*“(G) EFFECT.—The authority provided under this subsection shall be in addition to and not in place of any other authority of the Secretary or the Commodity Credit Corporation.”*

*“(e) TECHNICAL ASSISTANCE FOR SPECIALTY CROPS.—*

*“(1) ESTABLISHMENT.—The Secretary of Agriculture shall establish an export assistance program, in this subsection referred to as the ‘program’, to address existing or potential unique barriers that prohibit or threaten the export of United States specialty crops.”*

*“(2) PURPOSE.—The program shall provide direct assistance through public and private sector projects and technical assistance, including through the program under section 2(e) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 3157(e)), to remove, resolve, or mitigate existing or potential sanitary, phytosanitary, and technical barriers to trade.”*

*“(3) PRIORITY.—The program shall address time sensitive and strategic market access projects based on—*

*“(A) trade effect on market retention, market access, and market expansion; and*

*“(B) trade impact.”*

*“(4) MULTIYEAR PROJECTS.—The Secretary may provide assistance under the program to a project for longer than a 5-year period if the Secretary determines that further assistance would effectively support the purpose described in paragraph (2).”*

*“(5) OUTREACH AND TECHNICAL ASSISTANCE.—The Secretary shall—*

*“(A) conduct outreach to inform eligible organizations of the requirements of the program and the process by which such organizations may submit proposals for funding;*

*“(B) provide technical assistance to eligible organizations to assist in developing proposals and complying with the requirements of the program; and*

*“(C) solicit input from eligible organizations on improvements to streamline and facilitate the provision of assistance under this subsection.”*

*“(6) REGULATIONS AND PROCEDURES.—*

*“(A) IN GENERAL.—Not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary shall review program regulations, procedures, and guidelines for assistance under this subsection and make revisions to streamline, improve, and clarify the application, approval and compliance processes for such assistance, including revisions to implement the requirements of paragraph (5).”*

*“(B) CONSIDERATIONS.—In reviewing and making revisions under subparagraph (A), the Secretary shall consider—*

*“(i) establishing accountability standards that are appropriate for the size and scope of a project; and*

*“(ii) establishing streamlined application and approval processes, including for smaller-scale projects or projects to address time-sensitive trade barriers.”*



*“(7) ANNUAL REPORT.—Each year, the Secretary shall submit to the appropriate committees of Congress a report that contains, for the period covered by the report, a description of—*

*“(A) each factor that affects the export of specialty crops, including each factor relating to any—*

*“(i) significant sanitary or phytosanitary issue;*

*“(ii) trade barrier; or*

*“(iii) emerging sanitary or phytosanitary issue or trade barrier; and*

*“(B)(i) any funds provided under subsection (f)(3)(A)(iv) that were not obligated in a fiscal year; and*

*“(ii) the reason such funds were not obligated.*

*“(f) FUNDING AND ADMINISTRATION.—*

*“(1) COMMODITY CREDIT CORPORATION.—The Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this section.*

*“(2) FUNDING AMOUNT.—For each of fiscal years 2019 through 2023, of the funds of, or an equal value of commodities owned by, the Commodity Credit Corporation, the Secretary shall use to carry out this section \$255,000,000, to remain available until expended.*

*“(3) ALLOCATION.—*

*“(A) IN GENERAL.—For each of fiscal years 2019 through 2023, the Secretary shall allocate funds to carry out this section in accordance with the following:*

*“(i) MARKET ACCESS PROGRAM.—For market access activities authorized under subsection (b), of the funds of, or an equal value of commodities owned by, the Commodity Credit Corporation, not less than \$200,000,000 for each fiscal year.*

*“(ii) FOREIGN MARKET DEVELOPMENT COOPERATOR PROGRAM.—To carry out subsection (c), of the funds of, or an equal value of commodities owned by, the Commodity Credit Corporation, not less than \$34,500,000 for each fiscal year.*

*“(iii) E (KIKI) DE LA GARZA EMERGING MARKETS PROGRAM.—To provide assistance under subsection (d), of the funds of, or an equal value of commodities owned by, the Commodity Credit Corporation, not more than \$8,000,000 for each fiscal year.*

*“(iv) TECHNICAL ASSISTANCE FOR SPECIALTY CROPS.—To carry out subsection (e), of the funds of, or an equal value of the commodities owned by, the Commodity Credit Corporation, \$9,000,000 for each fiscal year.*

*“(v) PRIORITY TRADE FUND.—*

*“(I) IN GENERAL.—In addition to the amounts allocated under clauses (i) through (iv), and notwithstanding any limitations in those clauses, as determined by the Secretary, for 1 or more programs under this section for authorized activities to access, develop, maintain, and expand markets for United States agricultural commodities, \$3,500,000 for each fiscal year.*

*“(II) CONSIDERATIONS.—In allocating funds made available under subclause (I), the Secretary may consider providing a greater allocation to 1 or more programs under this section for which the amounts requested under applications exceed available funding for the 1 or more programs.*

*“(B) REALLOCATION.—Any funds allocated under clauses (i) through (iv) of subparagraph (A) that remain unobligated one year after the end of the fiscal year in which they are first made available shall be reallocated to the priority trade fund under subparagraph (A)(v). To the maximum extent practicable, the Secretary shall allocate such reallocated funds to support exports of those types of United States agricultural commodities eligible for assistance under the program for which the funds were originally allocated under subparagraph (A).*

*“(4) CUBA.—Notwithstanding section 908 of the Trade Sanctions Reform and Export Enhancement Act of 2000 (22 U.S.C. 7207) or any other provision of law, funds made available under this section may be used to carry out the programs authorized under subsections (b) and (c) in Cuba. Funds may not be used as described in the previous sentence in contravention with directives set forth under the National Security Presidential Memorandum entitled ‘Strengthening the Policy of the United States Toward Cuba’ issued by the President on June 16, 2017, during the period in which that memorandum is in effect.*

*“(5) AUTHORIZATION OF APPROPRIATIONS.—In addition to any other amounts provided under this subsection, there are authorized to be appropriated such sums as are necessary to carry out the programs and authorities under paragraph (3)(A)(v) and subsections (b) through (e).”.*

*(b) CONFORMING AMENDMENTS.—*

*(1) MARKET ACCESS PROGRAM.—*

*(A) Section 211 of the Agricultural Trade Act of 1978 (7 U.S.C. 5641) is amended by striking subsection (c).*

*(B) Section 402(a)(1) of the Agricultural Trade Act of 1978 (7 U.S.C. 5662(a)(1)) is amended by striking “203” and inserting “203(b)”.*

*(C) Section 282(f)(2)(C) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1638a(f)(2)(C)) is amended by striking “section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623)” and inserting “section 203(b) of the Agricultural Trade Act of 1978 (7 U.S.C. 5623(b))”.*

*(D) Section 718 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (7 U.S.C. 5623 note; Public Law 105–277) is amended by striking “section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623)” and inserting “section 203(b) of the Agricultural Trade Act of 1978 (7 U.S.C. 5623(b))”.*

*(E) Section 1302 of the Omnibus Budget Reconciliation Act of 1993 is repealed.*

(2) *FOREIGN MARKET DEVELOPMENT COOPERATOR PROGRAM.*—Title VII of the Agricultural Trade Act of 1978 (7 U.S.C. 5721 et seq.) is repealed.

(3) *E (KIKI) DE LA GARZA EMERGING MARKETS PROGRAM.*—

(A) Section 1542 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5622 note; Public Law 101–624) is amended—

(i) by striking subsection (d);

(ii) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively; and

(iii) in subsection (e) (as so redesignated)—

(I) in the matter preceding paragraph (1), by striking “country” and inserting “country, foreign territory, customs union, or other economic market”; and

(II) in paragraph (1), by striking “the economy of the country” and inserting “its economy”.

(B) Section 1543(b)(5) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 3293(b)(5)) is amended by striking “section 1542(f)” and inserting “section 1542(e)”.

(C) Section 1543A(c)(2) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5679(c)(2)) is amended by inserting “and section 203(d) of the Agricultural Trade Act of 1978” after “section 1542”.

(4) *TECHNICAL ASSISTANCE FOR SPECIALTY CROPS.*—Section 3205 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 5680) is repealed.

## ***Subtitle C—Other Agricultural Trade Laws***

### **SEC. 3301. GROWING AMERICAN FOOD EXPORTS.**

Section 1543A of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5679) is amended—

(1) in subsection (b)(1)(A), by inserting “or new agricultural production technologies” after “biotechnology”; and

(2) in subsection (d), by striking “\$6,000,000” and all that follows through the period at the end and inserting “\$2,000,000 for each of fiscal years 2019 through 2023.”.

### **SEC. 3302. FOOD FOR PROGRESS ACT OF 1985.**

Section 1110 of the Food Security Act of 1985 (also known as the Food for Progress Act of 1985 (7 U.S.C. 1736o)) is amended—

(1) by striking “President” each place it appears and inserting “Secretary”;

(2) in subsection (b)—

(A) in paragraph (5)—

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

(ii) by redesignating subparagraph (F) as subparagraph (G); and

(iii) by inserting after subparagraph (E) the following new subparagraph:

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*“(F) a college or university (as such terms are defined in section 1404(4) of the Food and Agriculture Act of 1977 (7 U.S.C. 3103(4)); and”;* and

*(B) by adding at the end the following new paragraphs:*

*“(10) RATE OF RETURN.—For purposes of applying subsection (j)(3), the rate of return for an eligible commodity shall be equal to the proportion that—*

*“(A) the proceeds eligible entities generate through monetization of such commodity, bears to*

*“(B) the cost to the Federal Government to procure and ship the commodity to the country where it is monetized.*

*“(11) SECRETARY.—The term ‘Secretary’ means the Secretary of Agriculture.”;*

*(3) in subsection (f)(3), by striking “2018” and inserting “2023”;*

*(4) in subsection (g), by striking “2018” and inserting “2023”;*

*(5) in subsection (j)(3)—*

*(A) by striking “December 1” and inserting “April 1”;*

*(B) by striking “of the Senate a list of programs” and inserting “of the Senate—  
“(A) a list of programs”;*

*(C) by striking “approved to date for the fiscal year” and inserting “approved during the prior fiscal year”;*

*(D) by striking the period at the end and inserting a semicolon; and*

*(E) by adding at the end the following new subparagraphs:*

*“(B) a description of the actual rate of return for each commodity made available under this section for the previous fiscal year including—*

*“(i) factors that influenced the rate of return; and*

*“(ii) with respect to the commodity, the costs of bagging or further processing, ocean transportation, inland transportation, storage costs, and any other information that the Secretary determines to be necessary; and*

*“(C) for each instance in which a commodity was made available under this section at a rate of return less than 70 percent, an explanation for the rate of return realized.”.*

*(6) in subsection (k), by striking “2018” and inserting “2023”;*

*(7) in subsection (l)(1), by striking “2018” and inserting “2023”;*

*(8) in the heading of subsection (m), by striking “PRESIDENTIAL” and inserting “SECRETARIAL”;*

*(9) in subsection (o), by striking “(acting through the Secretary)”;*

*(10) in subsection (o)(1), by striking “subparagraphs (C) and (F)” and inserting “subparagraphs (C) and (G)”;* and

*(11) by adding at the end the following new subsection.:*

*“(p) PILOT AGREEMENTS.—*

*“(1) IN GENERAL.—For each of fiscal years 2019 through 2023, subject to the availability of appropriations pursuant to*

*the authorization in paragraph (3), the Secretary shall enter into 1 or more pilot agreements with 1 or more eligible entities through which the Secretary shall provide financial assistance to the eligible entities to carry out activities consistent with subsection (l)(4)(A).*

*“(2) REPORT REQUIRED.—In each of fiscal years 2020 through 2024, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing, with respect to the previous fiscal year—*

*“(A) the amount provided to eligible entities under each pilot agreement pursuant to paragraph (1) and how the funds were used;*

*“(B) the activities carried out under each pilot agreement;*

*“(C) the number of direct and indirect beneficiaries of those activities; and*

*“(D) the effectiveness of the pilot agreements, including as applicable the impact on food security and agricultural productivity.*

*“(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out pilot agreements pursuant to this subsection \$10,000,000 for each of fiscal years 2019 through 2023.”.*

**SEC. 3303. BILL EMERSON HUMANITARIAN TRUST ACT.**

*Section 302 of the Bill Emerson Humanitarian Trust Act (7 U.S.C. 1736f-1) is amended—*

*(1) in subsection (b)(2)(B)(i), by striking “2018” each place it appears and inserting “2023”; and*

*(2) in subsection (h), by striking “2018” each place it appears and inserting “2023”.*

**SEC. 3304. PROMOTION OF AGRICULTURAL EXPORTS TO EMERGING MARKETS.**

*Section 1542(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5622 note; Public Law 101-624) is amended by striking “2018” and inserting “2023”.*

**SEC. 3305. COCHRAN FELLOWSHIP PROGRAM.**

*Section 1543 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 3293) is amended—*

*(1) in subsection (a), by striking “for study in the United States.” and inserting the following: “for study—*

*“(1) in the United States; or*

*“(2) at a college or university located in an eligible country that the Secretary determines—*

*“(A) has sufficient scientific and technical facilities;*

*“(B) has established a partnership with at least one college or university in the United States; and*

*“(C) has substantial participation by faculty members of the United States college or university in the design of the fellowship curriculum and classroom instruction under the fellowship.”;*

*(2) in subsection (c)—*

*(A) in paragraph (1), by inserting “(which may include agricultural extension services)” after “systems”; and*



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*(B) in paragraph (2)—**(i) by striking “enhance trade” and inserting the following: “enhance—**“(A) trade”;**(ii) in subparagraph (A) (as so designated) by striking the period at the end and inserting “; or”; and**(iii) by adding at the end the following:**“(B) linkages between agricultural interests in the United States and regulatory systems governing sanitary and phytosanitary standards for agricultural products that—**“(i) may enter the United States; and**“(ii) may pose risks to human, animal, or plant life or health.”; and**(3) in subsection (f)—**(A) in paragraph (1), by striking “\$3,000,000” and inserting “\$4,000,000”;**(B) in paragraph (2), by striking “\$2,000,000” and inserting “\$3,000,000”; and**(C) in paragraph (3), by striking “\$5,000,000” and inserting “\$6,000,000”.***SEC. 3306. BORLAUG INTERNATIONAL AGRICULTURAL SCIENCE AND TECHNOLOGY FELLOWSHIP PROGRAM.***Section 1473G of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319j) is amended—**(1) in subsection (c)(2)—**(A) in the matter preceding subparagraph (A), by striking “shall support” and inserting “support”;**(B) in subparagraph (C), by striking “and” at the end;**(C) in subparagraph (D), by striking the period at the end and inserting “; and”; and**(D) by adding at the end the following:**“(E) the development of agricultural extension services in eligible countries.”; and**(2) in subsection (f)—**(A) by striking “The Secretary” and inserting the following:**“(1) IN GENERAL.—The Secretary”; and**(B) by adding at the end the following:**“(2) LEVERAGING ALUMNI ENGAGEMENT.—In carrying out the purposes and programs under this section, the Secretary shall encourage ongoing engagement with fellowship recipients who have completed training under the program to provide advice regarding, and participate in, new or ongoing agricultural development projects, with a priority for capacity-building projects.”.***SEC. 3307. INTERNATIONAL AGRICULTURAL EDUCATION FELLOWSHIP PROGRAM.***(a) FELLOWSHIP PROGRAM ESTABLISHMENT.—The Secretary shall establish a fellowship program to be known as the International Agricultural Education Fellowship Program to provide fellowships to citizens of the United States to assist eligible countries in developing school-based agricultural education and youth extension programs.*



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(b) *ELIGIBLE COUNTRY DESCRIBED.*—For purposes of this section, an eligible country is a developing country, as determined by the Secretary using a gross national income per capita test selected by the Secretary.

(c) *PURPOSE OF FELLOWSHIPS.*—The goals of providing a fellowship under this section are to—

(1) develop globally minded United States agriculturists with experience living abroad;

(2) focus on meeting the food and fiber needs of the domestic population of eligible countries; and

(3) strengthen and enhance trade linkages between eligible countries and the United States agricultural industry.

(d) *ELIGIBLE CANDIDATES.*—The Secretary may provide fellowships to citizens of the United States who—

(1) hold at least a bachelors degree in an agricultural related field of study; and

(2) have an understanding of United States school-based agricultural education and youth extension programs, as determined by the Secretary.

(e) *CANDIDATE IDENTIFICATION.*—The Secretary shall consult with the National FFA Organization, the National 4-H Council, and other entities as the Secretary determines are appropriate to identify candidates for fellowships.

(f) *PROGRAM IMPLEMENTATION.*—The Secretary shall provide for the management, coordination, evaluation, and monitoring of the Fellowship Program, except that the Secretary may contract out the management of the fellowship program to an outside organization with experience in implementing fellowship programs focused on building capacity for school-based agricultural education and youth extension programs in developing countries.

(g) *AUTHORIZATION OF APPROPRIATIONS.*—

(1) *IN GENERAL.*—There are authorized to be appropriated \$5,000,000 to carry out this section for each of fiscal years 2019 through 2023.

(2) *DURATION.*—Any funds made available under this subsection shall remain available until expended.

**SEC. 3308. INTERNATIONAL FOOD SECURITY TECHNICAL ASSISTANCE.**

The Food, Agriculture, Conservation, and Trade Act of 1990 is amended by inserting after section 1543A (7 U.S.C. 5679) the following:

**“SEC. 1543B. INTERNATIONAL FOOD SECURITY TECHNICAL ASSISTANCE.**

“(a) *DEFINITION OF INTERNATIONAL FOOD SECURITY.*—In this section, the term ‘international food security’ means access by any person at any time to food and nutrition that is sufficient for a healthy and productive life.

“(b) *COLLECTION OF INFORMATION.*—The Secretary of Agriculture (referred to in this section as the ‘Secretary’) shall compile information from appropriate mission areas of the Department of Agriculture (including the Food, Nutrition, and Consumer Services mission area) relating to the improvement of international food security.

“(c) *PUBLIC AVAILABILITY.*—To benefit programs for the improvement of international food security, the Secretary shall orga-

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nize the information described in subsection (b) and make the information available in a format suitable for—

“(1) public education; and

“(2) use by—

“(A) a Federal, State, or local agency;

“(B) an agency or instrumentality of the government of a foreign country;

“(C) a domestic or international organization, including a domestic or international nongovernmental organization; and

“(D) an intergovernmental organization.

“(d) **TECHNICAL ASSISTANCE.**—On request by an entity described in subsection (c)(2), the Secretary may provide technical assistance to the entity to implement a program for the improvement of international food security.

“(e) **PROGRAM PRIORITY.**—In carrying out this section, the Secretary shall give priority to programs relating to the development of food and nutrition safety net systems with a focus on food insecure countries.

“(f) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out this section \$1,000,000 for each of fiscal years 2019 through 2023.”.

**SEC. 3309. MCGOVERN-DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION PROGRAM.**

Section 3107 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736o–1) is amended—

(1) in subsection (a)—

(A) by striking “that is” and inserting the following:

“that—

“(1) is”;

(B) in paragraph (1) (as so designated), by striking the period at the end and inserting “; or”; and

(C) by adding at the end the following:

“(2)(A) is produced in and procured from—

“(i) a developing country that is a recipient country; or

“(ii) a developing country in the same region as a recipient country; and

“(B) at a minimum, meets each nutritional, quality, and labeling standard of the recipient country, as determined by the Secretary.”;

(2) in subsection (c)(2)(A)—

(A) in clause (v)(IV), by striking “and” at the end;

(B) by redesignating clause (vi) as clause (vii); and

(C) by inserting after clause (v) the following:

“(vi) the costs associated with transporting the commodities described in subsection (a)(2) from a developing country described in subparagraph (A)(ii) of that subsection to any designated point of entry within the recipient country; and”;

(3) in subsection (f)(1)—

(A) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

(B) by inserting after subparagraph (D) the following:

“(E) ensure to the maximum extent practicable that assistance—

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“(i) is provided under this section in a timely manner; and

“(ii) is available when needed throughout the applicable school year;” and

(4) in subsection (l)—

(A) in paragraph (2), by striking “2018” and inserting “2023”; and

(B) by adding at the end the following:

“(4) PURCHASE OF COMMODITIES.—Of the funds made available to carry out this section, not more than 10 percent shall be used to purchase agricultural commodities described in subsection (a)(2).”.

**SEC. 3310. GLOBAL CROP DIVERSITY TRUST.**

Section 3202 of the Food, Conservation, and Energy Act of 2008 (22 U.S.C. 2220a note; Public Law 110–246) is amended—

(1) by amending subsection (b) to read as follows:

“(b) UNITED STATES CONTRIBUTION LIMIT.—

“(1) IN GENERAL.—The aggregate contributions of funds of the Federal Government provided to the Trust shall not exceed—

“(A) for the period of fiscal years 2014 through 2018, 25 percent of the total amount of funds contributed to the Trust from all sources; and

“(B) subject to paragraph (2), effective beginning with fiscal year 2019, 33 percent of the total amount of funds contributed to the Trust from all sources.

“(2) ANNUAL LIMITATION.—The contributions of funds of the Federal Government provided to the Trust shall not exceed \$5,500,000 for each of fiscal years 2019 through 2023.”; and

(2) in subsection (c), by striking “2018” and inserting “2023”.

**SEC. 3311. LOCAL AND REGIONAL FOOD AID PROCUREMENT PROJECTS.**

Section 3206(e)(1) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 1726c(e)(1)) is amended—

(1) by inserting “to the Secretary” after “appropriated”; and

(2) by striking “2014 through 2018” and inserting “2019 through 2023”.

**SEC. 3312. FOREIGN TRADE MISSIONS.**

(a) TRIBAL REPRESENTATION ON TRADE MISSIONS.—

(1) IN GENERAL.—The Secretary, in consultation with the Tribal Advisory Committee established under subsection (b)(2) of section 309 of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6921(b)(2)) (as added by section 12303(2)) (referred to in this section as the “Advisory Committee”), shall seek—

(A) to support the greater inclusion of Tribal agricultural and food products in Federal trade-related activities; and

(B) to increase the collaboration between Federal trade promotion efforts and other Federal trade-related activities in support of the greater inclusion sought under subparagraph (A).

(2) *INTERDEPARTMENTAL COORDINATION.*—*In carrying out activities to increase the collaboration described in paragraph (1)(B), the Secretary shall coordinate with—*

- (A) *the Secretary of Commerce;*
- (B) *the Secretary of State;*
- (C) *the Secretary of the Interior; and*
- (D) *the heads of any other relevant Federal agencies.*

(b) *REPORT; GOALS.*—

(1) *REPORT.*—*Not later than 2 years after the date of enactment of this Act, the Secretary shall submit a report describing the efforts of the Department of Agriculture and other Federal agencies under this section to—*

- (A) *the Advisory Committee;*
- (B) *the Committee on Agriculture of the House of Representatives;*
- (C) *the Committee on Energy and Commerce of the House of Representatives;*
- (D) *the Committee on Agriculture, Nutrition, and Forestry of the Senate;*
- (E) *the Committee on Commerce, Science, and Transportation of the Senate; and*
- (F) *the Committee on Indian Affairs of the Senate.*

(2) *GOALS.*—*Not later than 90 days after the date of enactment of this Act, the Secretary shall establish goals for measuring, in an objective and quantifiable format, the extent to which Indian Tribes and Tribal agricultural and food products are included in the trade-related activities of the Department of Agriculture.*

## **TITLE IV—NUTRITION**

### **Subtitle A—Supplemental Nutrition Assistance Program**

#### **SEC. 4001. REQUIREMENTS FOR ONLINE ACCEPTANCE OF BENEFITS.**

(a) *DEFINITION.*—*Section 3(o)(1) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(o)(1)) is amended by striking “or house-to-house trade route” and inserting “, house-to-house trade route, or online entity”.*

(b) *ACCEPTANCE OF BENEFITS.*—*Section 7(k) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(k)) is amended—*

- (1) *by striking the heading and inserting “ACCEPTANCE OF PROGRAM BENEFITS THROUGH ONLINE TRANSACTIONS”,*
- (2) *in paragraph (4) by striking subparagraph (C), and*
- (3) *by striking paragraph (5).*

#### **SEC. 4002. RE-EVALUATION OF THRIFTY FOOD PLAN.**

*Section 3(u) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(u)) is amended by inserting after the 1st sentence the following:*

*“By 2022 and at 5-year intervals thereafter, the Secretary shall re-evaluate and publish the market baskets of the thrifty food plan based on current food prices, food composition data, consumption patterns, and dietary guidance.”.*

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**SEC. 4003. FOOD DISTRIBUTION PROGRAM ON INDIAN RESERVATIONS.**

(a) *IN GENERAL.*—Section 4(b) of the Food and Nutrition Act of 2008 (7 U.S.C. 2013(b)) is amended—

(1) by striking paragraph (4) and inserting the following:

“(4) *ADMINISTRATIVE COSTS.*—

“(A) *IN GENERAL.*—Subject to subparagraph (B), the Secretary shall pay not less than 80 percent of administrative costs and distribution costs on Indian reservations as the Secretary determines necessary for effective administration of such distribution by a State agency or tribal organization.

“(B) *WAIVER.*—The Secretary shall waive up to 100 percent of the non-Federal share of the costs described in subparagraph (A) if the Secretary determines that—

“(i) the tribal organization is financially unable to provide a greater non-Federal share of the costs; or

“(ii) providing a greater non-Federal share of the costs would be a substantial burden for the tribal organization.

“(C) *LIMITATION.*—The Secretary may not reduce any benefits or services under the food distribution program on Indian reservations under this subsection to any tribal organization that is granted a waiver under subparagraph (B).

“(D) *TRIBAL CONTRIBUTION.*—The Secretary may allow a tribal organization to use funds provided to the tribal organization through a Federal agency or other Federal benefit to satisfy all or part of the non-Federal share of the costs described in subparagraph (A) if that use is otherwise consistent with the purpose of the funds.”,

(2) in paragraph (6)—

(A) in the heading by striking “*LOCALLY-GROWN*” and inserting “*LOCALLY- AND REGIONALLY-GROWN*”,

(B) in subparagraph (A) by striking “*locally-grown*” and inserting “*locally- and regionally-grown*”,

(C) in subparagraph (C)—

(i) in the heading by striking “*LOCALLY GROWN*” and inserting “*LOCALLY- AND REGIONALLY-GROWN*”, and

(ii) by striking “*locally-grown*” and inserting “*locally- and regionally-grown*”,

(D) by amending subparagraph (D) to read as follows:

“(D) *PURCHASE OF FOODS.*—In carrying out this paragraph, the Secretary shall purchase or offer to purchase those traditional foods that may be procured cost-effectively.”,

(E) by striking subparagraph (E), and

(F) in subparagraph (F)—

(i) by striking “(F)” and inserting “(E)”, and

(ii) by striking “2018” and inserting “2023”, and

(3) by adding at the end the following:

“(7) *AVAILABILITY OF FUNDS.*—

“(A) *IN GENERAL.*—Funds made available for a fiscal year to carry out this subsection shall remain available for obligation for a period of 2 fiscal years.



*“(B) ADMINISTRATIVE COSTS.—Funds made available for a fiscal year to carry out paragraph (4) shall remain available for obligation by the State agency or tribal organization for a period of 2 fiscal years.”*

**(b) DEMONSTRATION PROJECT FOR TRIBAL ORGANIZATIONS.—**

**(1) DEFINITIONS.—In this subsection:**

**(A) DEMONSTRATION PROJECT.—***The term “demonstration project” means the demonstration project established under paragraph (2).*

**(B) FOOD DISTRIBUTION PROGRAM.—***The term “food distribution program” means the food distribution program on Indian reservations carried out under section 4(b) of the Food and Nutrition Act of 2008 (7 U.S.C. 2013(b)).*

**(C) INDIAN RESERVATION.—***The term “Indian reservation” has the meaning given the term “reservation” in section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012).*

**(D) INDIAN TRIBE.—***The term “Indian tribe” has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).*

**(E) SELF-DETERMINATION CONTRACT.—***The term “self-determination contract” has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).*

**(F) TRIBAL ORGANIZATION.—***The term “tribal organization” has the meaning given the term in section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012).*

**(2) ESTABLISHMENT.—***Subject to the availability of appropriations, the Secretary shall establish a demonstration project under which 1 or more tribal organizations may enter into self-determination contracts to purchase agricultural commodities under the food distribution program for the Indian reservation of that tribal organization.*

**(3) ELIGIBILITY.—**

**(A) CONSULTATION.—***The Secretary shall consult with the Secretary of the Interior and Indian tribes to determine the process and criteria under which a tribal organization may participate in the demonstration project.*

**(B) CRITERIA.—***The Secretary shall select for participation in the demonstration project tribal organizations that—*

*(i) are successfully administering the food distribution program of the tribal organization under section 4(b)(2)(B) of the Food and Nutrition Act of 2008 (7 U.S.C. 2013(b)(2)(B)),*

*(ii) have the capacity to purchase agricultural commodities in accordance with paragraph (4) for the food distribution program of the tribal organization, and*

*(iii) meet any other criteria determined by the Secretary, in consultation with the Secretary of the Interior and Indian tribes.*

**(4) PROCUREMENT OF AGRICULTURAL COMMODITIES.—***Any agricultural commodities purchased by a tribal organization under the demonstration project shall—*



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(A) be domestically produced,

(B) supplant, not supplement, the type of agricultural commodities in existing food packages for that tribal organization,

(C) be of similar or higher nutritional value as the type of agricultural commodities that would be supplanted in the existing food package for that tribal organization, and

(D) meet any other criteria determined by the Secretary.

(5) **REPORT.**—Not later than 1 year after the date on which funds are appropriated under paragraph (6) and annually thereafter, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the activities carried out under the demonstration project during the preceding year.

(6) **FUNDING.**—

(A) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to the Secretary to carry out this subsection \$5,000,000, to remain available until expended.

(B) **APPROPRIATIONS IN ADVANCE.**—Only funds appropriated under subparagraph (A) in advance specifically to carry out this subsection shall be available to carry out this subsection.

(c) **CONFORMING AMENDMENT.**—Section 3(v) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(v)) is amended by striking “the Indian Self-Determination Act (25 U.S.C. 450b(b))” and inserting “section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304)”.

**SEC. 4004. SIMPLIFIED HOMELESS HOUSING COSTS.**

Section 5(e)(6)(D) of the Food and Nutrition Act of 2008 (7 U.S.C. 2014(e)(6)(D)) is amended—

(1) by redesignating clause (ii) as clause (iii), and

(2) by striking clause (i) and inserting the following:

“(i) **ALTERNATIVE DEDUCTION.**—The State agency shall allow a deduction of \$143 a month for households—

“(I) in which all members are homeless individuals;

“(II) that are not receiving free shelter throughout the month; and

“(III) that do not opt to claim an excess shelter expense deduction under subparagraph (A).

“(ii) **ADJUSTMENT.**—For fiscal year 2019 and each subsequent fiscal year the amount of the homeless shelter deduction specified in clause (i) shall be adjusted to reflect changes for the 12-month period ending the preceding November 30 in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor.”.

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**SEC. 4005. EMPLOYMENT AND TRAINING FOR SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.**

*(a) EMPLOYMENT AND TRAINING PROGRAMS THAT MEET STATE AND LOCAL WORKFORCE NEEDS.—Section 6(d)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(d)(4)) is amended—*

*(1) in subparagraph (A)—*

*(A) in clause (i)—*

*(i) by inserting “, in consultation with the State workforce development board, or, if the State demonstrates that consultation with private employers or employer organizations would be more effective or efficient, in consultation with private employers or employer organizations,” after “designed by the State agency”, and*

*(ii) by striking “that will increase their ability to obtain regular employment.” and inserting the following: “that will—*

*“(I) increase the ability of the household members to obtain regular employment; and*

*“(II) meet State or local workforce needs.”, and*

*(B) in clause (ii) by inserting “and implemented to meet the purposes of clause (i)” after “under this paragraph”,*

*(2) in subparagraph (B)—*

*(A) in the matter preceding clause (i), by inserting “case management services such as comprehensive intake assessments, individualized service plans, progress monitoring, or coordination with service providers and” after “contains”,*

*(B) in clause (iv) by redesignating subclauses (I) and (II) as items (aa) and (bb), respectively, and indenting appropriately,*

*(C) by redesignating clauses (i) through (vii) and clause (viii) as subclauses (I) through (VII) and subclause (IX), respectively, and indenting appropriately,*

*(D) by striking subclause (I), as so redesignated, and inserting the following:*

*“(I) Supervised job search programs that occur at State-approved locations at which the activities of participants shall be directly supervised and the timing and activities of participants tracked in accordance with guidelines issued by the State.”,*

*(E) in subclause (II), as so redesignated, by striking “jobs skills assessments, job finding clubs, training in techniques for” and inserting “employability assessments, training in techniques to increase”,*

*(F) in subclause (IV), as so redesignated, in the first sentence, by inserting “, including subsidized employment and apprenticeships” before the period at the end,*

*(G) in subclause (VII), as so redesignated, by inserting “not less than 30 days but” after “period of”,*

*(H) by inserting after subclause (VII), as so redesignated, the following:*

*“(VIII) Programs and activities under clause (iv) of section 16(h)(1)(F) that the Secretary determines, based on results from the independent evaluations conducted under clause (vii)(I) of such sec-*

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*tion, have the most demonstrable impact on the ability of participants to find and retain employment that leads to increased household income and reduced reliance on public assistance.”*

*(I) in the matter preceding subclause (I), as so redesignated—*

*(i) by striking “this subparagraph” and inserting “this clause”, and*

*(ii) by striking “(B) For purposes of this Act, an” and inserting the following:*

*“(B) DEFINITIONS.—In this Act:*

*“(i) EMPLOYMENT AND TRAINING PROGRAM.—The term”, and*

*(J) by adding at the end the following:*

*“(i) WORKFORCE PARTNERSHIP.—*

*“(I) IN GENERAL.—The term ‘workforce partnership’ means a program that—*

*“(aa) is operated by—*

*“(AA) a private employer, an organization representing private employers, or a nonprofit organization providing services relating to workforce development; or*

*“(BB) an entity identified as an eligible provider of training services under section 122(d) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3152(d));*

*“(bb) the Secretary certifies, or the State agency certifies to the Secretary—*

*“(AA) subject to subparagraph (N)(ii), would assist participants who are members of households participating in the supplemental nutrition assistance program in gaining high-quality, work-relevant skills, training, work, or experience that will increase the ability of the participants to obtain regular employment;*

*“(BB) subject to subparagraph (N)(ii), would provide participants with not less than 20 hours per week of training, work, or experience under subitem (AA);*

*“(CC) would not use any funds authorized to be appropriated by this Act;*

*“(DD) would provide sufficient information, on request by the State agency, for the State agency to determine that participants who are members of households participating in the supplemental nutrition assistance program are fulfilling any applicable work requirement under this subsection or subsection (o);*

*“(EE) would be willing to serve as a reference for participants who are members of households participating in the supplemental nutrition assistance pro-*

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gram for future employment or work-related programs; and

“(FF) meets any other criteria established by the Secretary, on the condition that the Secretary shall not establish any additional criteria that would impose significant paperwork burdens on the workforce partnership; and

“(cc) is in compliance with the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.), if applicable.

“(II) INCLUSION.—The term ‘workforce partnership’ includes a multistate program.”

(3) in subparagraph (E)—

(A) in the second sentence, by striking “Such requirements” and inserting the following:

“(i) VARIATION.—The requirements under clause (i),”

(B) by striking “(E) Each State” and inserting the following:

“(E) REQUIREMENTS FOR PARTICIPATION FOR CERTAIN INDIVIDUALS.—

“(i) IN GENERAL.—Each State”, and

(C) by adding at the end the following:

“(iii) APPLICATION TO WORKFORCE PARTNERSHIPS.—To the extent that a State agency requires an individual to participate in an employment and training program, the State agency shall consider an individual participating in a workforce partnership to be in compliance with the employment and training requirements.”

(4) in subparagraph (H), by striking “(B)(v)” and inserting “(B)(i)(V)”, and

(5) by adding at the end the following:

“(N) WORKFORCE PARTNERSHIPS.—

“(i) CERTIFICATION.—In certifying that a program meets the requirements of subitems (AA) and (BB) of subparagraph (B)(ii)(I)(bb) to be certified as a workforce partnership, the Secretary or the State agency shall require that the program submit to the Secretary or State agency sufficient information that describes—

“(I) the services and activities of the program that would provide participants with not less than 20 hours per week of training, work, or experience under those subitems; and

“(II) how the program would provide services and activities described in subclause (I) that would directly enhance the employability or job readiness of the participant.

“(ii) SUPPLEMENT, NOT SUPPLANT.—A State agency may use a workforce partnership to supplement, not to supplant, the employment and training program of the State agency.

“(iii) PARTICIPATION.—A State agency—

“(I) shall—

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*“(aa) maintain a list of workforce partnerships certified under subparagraph (B)(ii)(I)(bb); and*

*“(bb) not less frequently than at certification and recertification, provide to a household member subject to work requirements under subsection (d)(1) or subsection (o), electronically or by other means, the list described in item (aa); but*

*“(II) may not require any member of a household participating in the supplemental nutrition assistance program to participate in a workforce partnership.*

*“(iv) EFFECT.—*

*“(I) IN GENERAL.—A workforce partnership shall not replace the employment or training of an individual not participating in the workforce partnership.*

*“(II) SELECTION.—Nothing in this subsection or subsection (o) affects the criteria or screening process for selecting participants by a workforce partnership.*

*“(v) LIMITATION ON REPORTING REQUIREMENTS.—In carrying out this subparagraph, the Secretary and each applicable State agency shall limit the reporting requirements of a workforce partnership to—*

*“(I) on notification that an individual is receiving supplemental nutrition assistance program benefits, notifying the applicable State agency that the individual is participating in the workforce partnership;*

*“(II) identifying participants who have completed or are no longer participating in the workforce partnership;*

*“(III) identifying changes to the workforce partnership that result in the workforce partnership no longer meeting the certification requirements of the Secretary or the State agency under subparagraph (B)(ii)(I)(bb); and*

*“(IV) providing sufficient information, on request by the State agency, for the State agency to verify that a participant is fulfilling any applicable work requirements under this subsection or subsection (o).*

*“(O) REFERRAL OF CERTAIN INDIVIDUALS.—*

*“(i) IN GENERAL.—In accordance with such regulations as may be issued by the Secretary, with respect to any individual who is not eligible for an exemption under paragraph (2) and who is determined by the operator of an employment and training program component to be ill-suited to participate in that employment and training program component, the State agency shall—*

*“(I) refer the individual to an appropriate employment and training program component;*

“(II) refer the individual to an appropriate workforce partnership, if available;

“(III) reassess the physical and mental fitness of the individual under paragraph (1)(A); or

“(IV) to the maximum extent practicable, coordinate with other Federal, State, or local workforce or assistance programs to identify work opportunities or assistance for the individual.

“(ii) PROCESS.—In carrying out clause (i), the State agency shall ensure that an individual undergoing and complying with the process established under that clause shall not be found to have refused without good cause to participate in an employment and training program.”

(b) WORK REQUIREMENTS.—Section 6(o) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(o)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B) by striking “and” at the end,

(B) in subparagraph (C) by striking “job search program or a job search training program.” and inserting “supervised job search program or job search training program;” and

(C) by adding at the end the following:

“(D) a program of employment and training for veterans operated by the Department of Labor or the Department of Veterans Affairs, and approved by the Secretary; and

“(E) a workforce partnership under subsection (d)(4)(N).”

(2) in paragraph (4)(A) by inserting “and with the support of the chief executive officer of the State” after “agency”, and

(3) in paragraph (6)—

(A) in the heading by striking “15-PERCENT EXEMPTION” and inserting “EXEMPTIONS”,

(B) in subparagraph (B) by striking “(G)” and inserting “(H)”

(C) in subparagraph (C) by striking “(E) and (G)” and inserting “(F) and (H)”,

(D) in subparagraph (D)—

(i) in the heading by striking “SUBSEQUENT FISCAL YEARS” and inserting “FISCAL YEARS 1999 THROUGH 2019”,

(ii) by striking “(E) through (G)” and inserting “(F) through (H)”, and

(iii) by striking “year,” and inserting “year through fiscal year 2019,”

(E) in subparagraph (E) by striking “or (D)” and inserting “, (D), or (E)”,

(F) by redesignating subparagraphs (E), (F), and (G) as subparagraphs (F), (G), and (H), respectively, and

(G) by inserting after subparagraph (D) the following:

“(E) SUBSEQUENT FISCAL YEARS.—Subject to subparagraphs (F) through (H), for fiscal year 2020 and each subsequent fiscal year, a State agency may provide a number of exemptions such that the average monthly number of ex-



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*emptions in effect during the fiscal year does not exceed 12 percent of the number of covered individuals in the State, as estimated by the Secretary under subparagraph (C), adjusted by the Secretary to reflect changes in the State's case-load and the Secretary's estimate of changes in the proportion of members of households that receive supplemental nutrition assistance program benefits covered by waivers granted under paragraph (4)."*

(c) *STATE PLANS.—Section 11 of the Food and Nutrition Act of 2008 (7 U.S.C. 2020) is amended—*

(1) *in subsection (e)(19) by inserting “the extent to which such programs will be carried out in coordination with the activities carried out under title I of the Workforce Innovation and Opportunity Act (29 U.S.C. 3111 et seq.),” before “and the basis,” and*

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

*“(w) For households containing at least one adult, with no elderly or disabled members and with no earned income at their last certification or required report, a State agency shall, at the time of recertification, be required to advise members of the household not exempt under section 6(d)(2) regarding available employment and training services.”*

(d) *FUNDING OF EMPLOYMENT AND TRAINING PROGRAMS.—Section 16(h) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(h)) is amended—*

(1) *in paragraph (1)—*

(A) *in subparagraph (A) by striking “\$90,000,000” and inserting “\$103,900,000”,*

(B) *in subparagraph (C)—*

(i) *in clause (i) by inserting “, subject to clauses (ii) through (v),” after “(B), the Secretary”, and*

(ii) *by adding at the end the following:*

*“(iv) PRIORITY.—The Secretary shall reallocate funds under this subparagraph as follows:*

*“(I)(aa) Subject to items (bb) and (cc), not less than 50 percent shall be reallocated to State agencies requesting such funds to conduct employment and training programs and activities for which such State agencies had previously received funding under subparagraph (F)(viii) that the Secretary determines have the most demonstrable impact on the ability of participants to find and retain employment that leads to increased household income and reduced reliance on public assistance.*

*“(bb) The Secretary shall base the determination under item (aa) on—*

*“(AA) project results from the independent evaluations conducted under subparagraph (F)(vii)(I); or*

*“(BB) if the project results from the independent evaluations conducted under subparagraph (F)(vii)(I) are not yet available, the reports under subparagraph (F)(vii)(II) or other information relating to performance of the pro-*

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grams and activities funded under subparagraph (F)(viii).

“(cc) Employment and training activities funded under this subclause are not subject to subparagraph (F)(vii), but are subject to monitoring under paragraph (h)(5).

“(II) Not less than 30 percent shall be reallocated to State agencies requesting such funds to implement or continue employment and training programs and activities under section 6(d)(4)(B)(i) that the Secretary determines have the most demonstrable impact on the ability of participants to find and retain employment that leads to increased household income and reduced reliance on public assistance, including programs and activities that are targeted to—

“(aa) individuals 50 years of age or older;

“(bb) formerly incarcerated individuals;

“(cc) individuals participating in a substance abuse treatment program;

“(dd) homeless individuals;

“(ee) people with disabilities seeking to enter the workforce;

“(ff) other individuals with substantial barriers to employment; or

“(gg) households facing multi-generational poverty, to support employment and workforce participation through an integrated and family-focused approach in providing supportive services.

“(III) The Secretary shall reallocate any remaining funds available under this subparagraph, to State agencies requesting such funds to use for employment and training programs and activities that the Secretary determines have the most demonstrable impact on the ability of participants to find and retain employment that leads to increased household income and reduced reliance on public assistance under section 6(d)(4)(B)(i).

“(v) CONSIDERATION.—In reallocating funds under this subparagraph, a State agency that receives reallocated funds under clause (iv)(I) may also be considered for reallocated funding under clause (iv)(II).”, and

(C) in subparagraph (D) by striking “\$50,000” and inserting “\$100,000”, and

(2) in paragraph (5)(B) by adding at the end the following:

“(v) STATE OPTION.—The State agency may report relevant data from a workforce partnership carried out under section 6(d)(4)(N) to demonstrate the number of program participants served by the workforce partnership.”.

(e) EXPIRED AUTHORITY.—Section 17(b) of the Food and Nutrition Act of 2008 (7 U.S.C. 2026(b)) is amended—

(1) by striking paragraph (2), and

(2) by redesignating paragraph (3) as paragraph (2).

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**SEC. 4006. IMPROVEMENTS TO ELECTRONIC BENEFIT TRANSFER SYSTEM.**

(a) *EBT PORTABILITY.*—Section 7(f)(5) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(f)(5)) is amended by adding at the end the following:

“(C) *OPERATION OF INDIVIDUAL POINT OF SALE DEVICE BY FARMERS’ MARKETS AND DIRECT MARKETING FARMERS.*—A farmers’ market or direct marketing farmer that is exempt under paragraph (2)(B)(i) shall be allowed to operate an individual electronic benefit transfer point of sale device at more than 1 location under the same supplemental nutrition assistance program authorization, if—

“(i) the farmers’ market or direct marketing farmer provides to the Secretary information on location and hours of operation at each location; and

“(ii)(I) the point of sale device used by the farmers’ market or direct marketing farmer is capable of providing location information of the device through the electronic benefit transfer system; or

“(II) if the Secretary determines that the technology is not available for a point of sale device to meet the requirement under subclause (I), the farmers’ market or direct marketing farmer provides to the Secretary any other information, as determined by the Secretary, necessary to ensure the integrity of transactions processed using the point of sale device.”.

(b) *MODERNIZATION OF ELECTRONIC BENEFIT TRANSFER REGULATIONS.*—The 1st sentence of section 7(h)(2) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(h)(2)) is amended by inserting “and shall periodically review such regulations and modify such regulations to take into account evolving technology and comparable industry standards” before the period at the end.

(c) *BENEFIT RECOVERY.*—Section 7(h)(12) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(h)(12)) is amended—

(1) in subparagraph (A) by inserting “, or due to the death of all members of the household” after “inactivity”, and

(2) by striking subparagraphs (B) and (C) and inserting the following:

“(B) *BENEFIT STORAGE.*—

“(i) *IN GENERAL.*—A State agency may store recovered electronic benefits off-line in accordance with clause (ii), if the household has not accessed the account after 3 months.

“(ii) *NOTICE OF BENEFIT STORAGE.*—A State agency shall—

“(I) send notice to a household the benefits of which are stored under clause (i); and

“(II) not later than 48 hours after request by the household, make the stored benefits available to the household.

“(C) *BENEFIT EXPUNGING.*—

“(i) *IN GENERAL.*—Subject to clause (ii), a State agency shall expunge benefits that have not been accessed by a household after a period of 9 months, or

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upon verification that all members of the household are deceased.

“(ii) NOTICE OF BENEFIT EXPUNGING.—Not later than 30 days before benefits are to be expunged under clause (i), a State agency shall—

“(I) provide sufficient notice to the household that benefits will be expunged due to inactivity, and the date upon which benefits will be expunged;

“(II) for benefits stored off-line in accordance with subparagraph (B), provide the household an opportunity to request that such benefits be restored to the household; and

“(III) not later than 48 hours after request by the household, make the benefits available to the household.”

(d) PROHIBITED FEES.—Section 7 of the Food and Nutrition Act of 2008 (7 U.S.C. 2016) is amended—

(1) by amending subsection (h)(13) to read as follows:

“(13) FEES.—

“(A) INTERCHANGE FEES.—No interchange fees shall apply to electronic benefit transfer transactions under this subsection.

“(B) OTHER FEES.—Effective through fiscal year 2023, neither a State, nor any agent, contractor, or subcontractor of a State who facilitates the provision of supplemental nutrition assistance program benefits in such State may impose a fee for switching (as defined in subsection (j)(1)(H)) or routing such benefits.”, and

(2) by amending subsection (j)(1)(H) to read as follows:

“(H) SWITCHING.—The term ‘switching’ means the routing of an intrastate or interstate transaction that consists of transmitting the details of a transaction electronically recorded through the use of an electronic benefit transfer card in one State to the issuer of the card that may be in the same or different State.”

(e) MOBILE TECHNOLOGIES.—Section 7(h)(14) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(h)(14)) is amended—

(1) by amending subparagraph (A) to read as follows:

“(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall authorize the use of mobile technologies for the purpose of accessing supplemental nutrition assistance program benefits.”

(2) in subparagraph (B)—

(A) by striking the heading and inserting “DEMONSTRATION PROJECTS ON ACCESS OF BENEFITS THROUGH MOBILE TECHNOLOGIES”;

(B) by amending clause (i) to read as follows:

“(i) DEMONSTRATION PROJECTS.—Before authorizing implementation of subparagraph (A) in all States, the Secretary shall approve not more than 5 demonstration project proposals submitted by State agencies that will pilot the use of mobile technologies for supplemental nutrition assistance program benefits access.”

(C) in clause (ii)—

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(i) in the heading by striking “DEMONSTRATION PROJECTS” and inserting “PROJECT REQUIREMENTS”,

(ii) by striking “retail food store” the first place it appears and inserting “State agency”,

(iii) by striking “includes”,

(iv) by striking subclauses (I), (II), (III), and (IV), and inserting the following:

“(I) provides recipient protections regarding privacy, ease of use, household access to benefits, and support similar to the protections provided under existing methods;

“(II) ensures that all recipients, including those without access to mobile payment technology and those who shop across State borders, have a means of benefit access;

“(III) requires retail food stores, unless exempt under section 7(f)(2)(B), to bear the costs of acquiring and arranging for the implementation of point-of-sale equipment and supplies for the redemption of benefits that are accessed through mobile technologies;

“(IV) requires that foods purchased with benefits issued under this section through mobile technologies are purchased at a price not higher than the price of the same food purchased by other methods used by the retail food store, as determined by the Secretary;

“(V) ensures adequate documentation for each authorized transaction, adequate security measures to deter fraud, and adequate access to retail food stores that accept benefits accessed through mobile technologies, as determined by the Secretary;

“(VI) provides for an evaluation of the demonstration project, including, but not limited to, an evaluation of household access to benefits;

“(VII) requires that the State demonstration projects are voluntary for all retail food stores and that all recipients are able to use benefits in non-participating retail food stores; and

“(VIII) meets other criteria as established by the Secretary.”

(D) by amending clause (iii) to read as follows:

“(iv) DATE OF PROJECT APPROVAL.—The Secretary shall solicit and approve the qualifying demonstration projects required under subparagraph (B)(i) not later than January 1, 2021.”, and

(E) by inserting after clause (ii) the following:

“(iii) PRIORITY.—The Secretary may prioritize demonstration project proposals that would—

“(I) reduce fraud;

“(II) encourage positive nutritional outcomes; and

“(III) meet such other criteria as determined by the Secretary.”, and



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- (3) in subparagraph (C)(i)—
- (A) by striking “2017” and inserting “2022”, and
- (B) by inserting “requires further study by way of an extended pilot period or” after “States” the 2d place it appears.
- (f) APPROVAL OF RETAIL FOOD STORES.—Section 9 of the Food and Nutrition Act (7 U.S.C. 2018) is amended—
- (1) in subsection (a)(1)—
- (A) in the 4th sentence by striking “No retail food store” and inserting the following:
- “(D) VISIT REQUIRED.—No retail food store”,
- (B) in the 3d sentence by striking “Approval” and inserting the following:
- “(C) CERTIFICATE.—Approval”,
- (C) in the 2d sentence—
- (i) by striking “food; and (D) the” and inserting the following: “food;
- “(iv) any information, if available, about the ability of the anticipated or existing electronic benefit transfer equipment and service provider of the applicant to provide sufficient information through the electronic benefit transfer system to minimize the risk of fraudulent transactions; and
- “(v) the”,
- (ii) by striking “concern; (C) whether” and inserting the following: “concern;
- “(iii) whether”,
- (iii) by striking “applicant; (B) the” and inserting the following: “applicant;
- “(ii) the”,
- (iv) by striking “following: (A) the nature” and inserting the following: “following:
- “(i) the nature”, and
- (v) in the matter preceding clause (i), as so designated, by striking “In determining” and inserting the following:
- “(B) FACTORS FOR CONSIDERATION.—In determining”,
- and
- (D) in the 1st sentence by striking “(a)(1) Regulations” and inserting the following:
- “(a) AUTHORIZATION TO ACCEPT AND REDEEM BENEFITS.—
- “(1) APPLICATIONS.—
- “(A) IN GENERAL.—Regulations”,
- (2) in subsection (a) by adding at the end the following:
- “(4) ELECTRONIC BENEFIT TRANSFER EQUIPMENT AND SERVICE PROVIDERS.—Before implementing clause (iv) of paragraph (1)(B), the Secretary shall issue guidance for retail food stores on how to select electronic benefit transfer equipment and service providers that are able to meet the requirements of that clause.”, and
- (3) in the 1st sentence of subsection (c) by inserting “records relating to electronic benefit transfer equipment and related services, transaction and redemption data provided through the electronic benefit transfer system,” after “purchase invoices,”.



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**SEC. 4007. REVIEW OF SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM OPERATIONS.**

*Section 9 of the Food and Nutrition Act of 2008 (7 U.S.C. 2018) is amended by adding at the end the following:*

**“(i) REVIEW OF PROGRAM OPERATIONS.—****“(1) REVIEW BY THE SECRETARY.—The Secretary—**

**“(A) shall review a representative sample of currently authorized facilities referred to in section 3(k)(3) to determine whether benefits are properly used by or on behalf of participating households residing in such facilities and whether such facilities are using more than 1 source of Federal or State funding to meet the food needs of residents;**

**“(B) may carry out similar reviews for currently participating residential drug and alcohol treatment and rehabilitation programs, and group living arrangements for the blind and disabled, referred to in section 3(k);**

**“(C) shall gather information, and such facilities, programs, and arrangements shall be required to submit information deemed necessary for a full and thorough review; and**

**“(D) shall report the results of these reviews to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate not later than 18 months after the date of the enactment of the Agriculture Improvement Act of 2018, along with recommendations regarding—**

**“(i) any additional requirements or oversight that would be appropriate for such facilities, programs, and arrangements; and**

**“(ii) whether such facilities, programs, and arrangements should continue to be authorized to participate in the supplemental nutrition assistance program.**

**“(2) LIMITATION.—Nothing in this subsection shall authorize the Secretary to deny any application for continued authorization, any application for authorization, or any request to withdraw the authorization of any such facility, program, or arrangement based on a determination that residents of any such facility or entity are residents of an institution for a period of 18 months from the date of enactment of the Agriculture Improvement Act of 2018.”.**

**SEC. 4008. RETAIL INCENTIVES.**

*Section 9 of the Food and Nutrition Act of 2008 (7 U.S.C. 2018), as amended by section 4007, is amended by adding at the end the following:*

**“(j) INCENTIVES.—**

**“(1) DEFINITION OF ELIGIBLE INCENTIVE FOOD.—In this subsection, the term ‘eligible incentive food’ means—**

**“(A) a staple food that is identified for increased consumption, consistent with the most recent dietary recommendations; and**

**“(B) a fruit, vegetable, dairy, whole grain, or product thereof.**

**“(2) GUIDANCE.—**

**“(A) IN GENERAL.—The Secretary shall issue guidance to clarify the process by which an approved retail food store**

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*may seek a waiver to offer an incentive, which may be used only for the purchase of an eligible incentive food at the point of purchase, to a household purchasing food with benefits issued under this Act.*

*“(B) GUIDANCE.—The guidance under subparagraph (A) shall establish a process under which an approved retail food store, prior to carrying out an incentive program under this subsection, shall provide to the Secretary information describing the incentive program, including—*

*“(i) the types of incentives that will be offered;*

*“(ii) the types of foods that will be incentivized for purchase; and*

*“(iii) an explanation of how the incentive program intends to support meeting dietary intake goals.*

*“(3) NO LIMITATION ON BENEFITS.—A waiver granted under this subsection shall not be used to carry out any activity that limits the use of benefits under this Act or any other Federal nutrition law.*

*“(4) EFFECT.—Guidance provided under this subsection shall not affect any requirements under section 4405 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 7517), including the eligibility of a retail food store to participate in a project funded under such section.*

*“(5) REPORT.—The Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report describing the types of incentives approved under this subsection.”.*

**SEC. 4009. REQUIRED ACTION ON DATA MATCH INFORMATION.**

*Section 11(e) of the Food and Nutrition Act of 2008 (7 U.S.C. 2020(e)) is amended—*

*(1) in paragraph (24) by striking “and” after the semicolon,*

*(2) in paragraph (25) by striking the period at the end and inserting “; and”, and*

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

*“(26) that for a household participating in the supplemental nutrition assistance program, the State agency shall pursue clarification and verification, if applicable, of information relating to the circumstances of the household received from data matches for the purpose of ensuring an accurate eligibility and benefit determination, only if the information—*

*“(A) appears to present significantly conflicting information from the information that was used by the State agency at the time of certification of the household;*

*“(B) is obtained from data matches carried out under subsection (q), (r), or (x); or*

*“(C)(i) is less than 60 days old relative to the current month of participation of the household; and*

*“(ii) if accurate, would have been required to be reported by the household based on the reporting requirements assigned to the household by the State agency under section 6(c).”.*

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**SEC. 4010. INCENTIVIZING TECHNOLOGY MODERNIZATION.**

Section 11(t) of the Food and Nutrition Act of 2008 (7 U.S.C. 2020(t)) is amended—

(1) by striking the heading and inserting “GRANTS FOR SIMPLIFIED APPLICATION AND ELIGIBILITY DETERMINATION SYSTEMS AND IMPROVED ACCESS TO BENEFITS”,

(2) in paragraph (1) by striking “implement—” and all that follows through the period at the end, and inserting “implement supplemental nutrition assistance program simplified application and eligibility determination systems.”, and

(3) in paragraph (2)—

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

“(B) establishing enhanced technological methods that improve the administrative infrastructure used in processing applications and determining eligibility; or”,

(B) by striking subparagraphs (C) and (D), and

(C) by redesignating subparagraph (E) as subparagraph (C).

**SEC. 4011. INTERSTATE DATA MATCHING TO PREVENT MULTIPLE ISSUANCES.**

Section 11 of the Food and Nutrition Act of 2008 (7 U.S.C. 2020), as amended by section 4005(c), is amended by adding at the end the following:

“(x) NATIONAL ACCURACY CLEARINGHOUSE.—

“(1) DEFINITION OF INDICATION OF MULTIPLE ISSUANCE.—In this subsection, the term ‘indication of multiple issuance’ means an indication, based on a computer match, that supplemental nutrition assistance program benefits are being issued to an individual by more than 1 State agency simultaneously.

“(2) ESTABLISHMENT.—

“(A) IN GENERAL.—The Secretary shall establish an interstate data system, to be known as the ‘National Accuracy Clearinghouse’, to prevent multiple issuances of supplemental nutrition assistance program benefits to an individual by more than 1 State agency simultaneously.

“(B) DATA MATCHING.—The Secretary shall require that State agencies make available to the National Accuracy Clearinghouse only such information as is necessary for the purpose described in subparagraph (A).

“(C) DATA PROTECTION.—The information made available by State agencies under subparagraph (B)—

“(i) shall be used only for the purpose described in subparagraph (A);

“(ii) shall be exempt from the disclosure requirements of section 552(a) of title 5 of the United States Code pursuant to section 552(b)(3) of title 5 of the United States Code, to the extent such information is obtained or received by the Secretary;

“(iii) shall not be retained for longer than is necessary to accomplish the purpose in subparagraph (A);

“(iv) shall be used in a manner that protects the identity and location of a vulnerable individual (including a victim of domestic violence) that is an applicant for, or recipient of, supplemental nutrition assistance program benefits; and

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“(v) shall meet security standards as determined by the Secretary.

“(3) **ISSUANCE OF INTERIM FINAL REGULATIONS.**—Not later than 18 months after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary shall promulgate regulations (which shall include interim final regulations) to carry out this subsection that—

“(A) incorporate best practices and lessons learned from the pilot program under section 4032(c) of the Agricultural Act of 2014 (7 U.S.C. 2036c(c));

“(B) require a State agency to take appropriate action, as determined by the Secretary, with respect to each indication of multiple issuance of supplemental nutrition assistance program benefits, or each indication that an individual receiving such benefits in 1 State has applied to receive such benefits in another State, while ensuring timely and fair service to applicants for, and recipients of, such benefits;

“(C) establish standards to limit and protect the information submitted through or retained by the National Accuracy Clearinghouse consistent with paragraph (2)(C);

“(D) establish safeguards to protect—

“(i) the information submitted through or retained by the National Accuracy Clearinghouse, including by limiting the period of time that information is retained to the period necessary to accomplish the purpose described in paragraph (2)(A); and

“(ii) the privacy of information that is submitted through or retained by the National Accuracy Clearinghouse consistent with subsection (e)(8); and

“(E) include such other rules and standards the Secretary determines appropriate to carry out this subsection.

“(4) **TIMING.**—The initial match and corresponding actions required by paragraph (3)(B) shall occur within 3 years after the date of the enactment of the Agriculture Improvement Act of 2018.”.

**SEC. 4012. REQUIREMENT OF LIVE-PRODUCTION ENVIRONMENTS FOR CERTAIN PILOT PROJECTS RELATING TO COST SHARING FOR COMPUTERIZATION.**

Section 16(g)(1) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(g)(1)) is amended—

(1) in subparagraph (F) by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively, and indenting appropriately;

(2) by redesignating subparagraphs (A) through (F) as clauses (i) through (vi), respectively, and indenting appropriately;

(3) in the matter preceding clause (i), as so redesignated—

(A) by striking “paragraphs (2) and (3)” and inserting “paragraph (2)”; and

(B) by striking “in the planning” and inserting the following: “in the—

“(A) planning”;

(4) in clause (v), as so redesignated, of subparagraph (A), as so designated, by striking “implementation, including

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*through pilot projects in limited areas for major systems changes as determined under rules promulgated by the Secretary, data from which” and inserting the following: “implementation, including a requirement that—*

*“(I) such testing shall be accomplished through pilot projects in limited areas for major systems changes (as determined under rules promulgated by the Secretary);*

*“(II) each pilot project described in subclause (I) that is carried out before the implementation of a system shall be conducted in a live-production environment; and*

*“(III) the data resulting from each pilot project carried out under this clause”;*

*(5) in clause (vi), as so redesignated, by striking the period at end and inserting “; and”, and*

*(6) by adding at the end the following:*

*“(B) operation of 1 or more automatic data processing and information retrieval systems that the Secretary determines may continue to be operated in accordance with clauses (i) through (vii) of subparagraph (A).”.*

**SEC. 4013. QUALITY CONTROL IMPROVEMENTS.**

*(a) RECORDS.—Section 11(a)(3)(B) of the Food and Nutrition Act of 2008 (7 U.S.C. 2020(a)(3)(B)) is amended—*

*(1) by striking “Records described” and inserting “All records, and the entire information systems in which records are contained, that are covered”, and*

*(2) by amending clause (i) to read as follows:*

*“(i) be made available for inspection and audit by the Secretary, subject to data and security protocols agreed to by the State agency and Secretary.”.*

*(b) QUALITY CONTROL SYSTEM.—Section 16(c)(1)(B) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(c)(1)(B)) is amended to read as follows:*

*“(B) QUALITY CONTROL SYSTEM INTEGRITY.—*

*“(i) IN GENERAL.—Not later than 180 days after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary shall issue interim final regulations that—*

*“(I) ensure that the quality control system established under this subsection produces valid statistical results;*

*“(II) provide for oversight of contracts entered into by a State agency for the purpose of improving payment accuracy;*

*“(III) ensure the accuracy of data collected under the quality control system established under this subsection; and*

*“(IV) for each fiscal year, to the maximum extent practicable, provide for the evaluation of the integrity of the quality control process of not fewer than 2 State agencies, selected in accordance with criteria determined by the Secretary.*

*“(ii) DEBARMENT.—In accordance with the non-procurement debarment procedures under part 417 of*



*title 2, Code of Federal Regulations, or successor regulations, the Secretary shall debar any person that, in carrying out the quality control system established under this subsection, knowingly submits, or causes to be submitted, false information to the Secretary.”*

(c) **REPORTING REQUIREMENTS.**—*The 1st sentence of section 16(c)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(c)(4)) is amended by inserting “, including providing access to applicable State records and the entire information systems in which the records are contained,” after “necessary”.*

(d) **STATE PERFORMANCE INDICATORS.**—*Section 16(d) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(d)) is amended—*

*(1) by striking the heading and inserting “STATE PERFORMANCE INDICATORS”,*

*(2) in paragraph (2)—*

*(A) in the heading by striking “AND THEREAFTER” and inserting “THROUGH 2017”,*

*(B) in subparagraph (A) by striking “and each fiscal year thereafter” and inserting “through fiscal year 2017”, and*

*(C) in subparagraph (B) by striking “and each fiscal year thereafter” and inserting “through fiscal year 2017”, and*

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

*“(6) FISCAL YEAR 2018 AND FISCAL YEARS THEREAFTER.—*

*“(A) With respect to fiscal year 2018 and each fiscal year thereafter, the Secretary shall establish, by regulation, performance criteria relating to—*

*“(i) actions taken to correct errors, reduce rates of error, and improve eligibility determinations; and*

*“(ii) other indicators of effective administration determined by the Secretary.*

*“(B) The Secretary shall not award performance bonus payments to State agencies in fiscal year 2019 for fiscal year 2018 performance.”.*

(e) **COST SHARING FOR COMPUTERIZATION.**—*Section 16(g)(1)(A) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(g)(1)(A)), as amended by section 4012, is amended—*

*(1) in clause (v)(III) by striking “and”, and*

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

*“(vii) would be accessible by the Secretary for inspection and audit under section 11(a)(3)(B); and”.*

**SEC. 4014. EVALUATION OF CHILD SUPPORT ENFORCEMENT COOPERATION REQUIREMENTS.**

*Section 17 of the Food and Nutrition Act of 2008 (7 U.S.C. 2026) is amended by adding at the end the following:*

*“(m) EVALUATION OF CHILD SUPPORT ENFORCEMENT COOPERATION REQUIREMENTS.—*

*“(1) IN GENERAL.—The Secretary, in consultation with the Secretary of Health and Human Services, shall conduct an independent evaluation of a representative sample of States—*

*“(A) to assess the implementation and impact of the eligibility requirements described in subsections (l) through (n) of section 6 in States that have formerly implemented*



*or continue to implement those requirements, and the feasibility of implementing those requirements in other States;*

*“(B) to assess the factors that contributed to the decision of States that formerly implemented the eligibility requirements described in each of subsections (l) through (n) of section 6 to cease such implementation;*

*“(C) to review alternatives to the eligibility requirements described in each of subsections (l) through (n) of section 6 that are used by other States to assist participants in the supplemental nutrition assistance program to make or receive child support payments and the effectiveness of those alternatives; and*

*“(D) to evaluate the costs and benefits to households and to State agencies, of requiring State agencies to implement each of the eligibility requirements described in subsections (l) through (n) of section 6.*

*“(2) EVALUATION.—The evaluation under paragraph (1) shall include, to the maximum extent practicable, an assessment of—*

*“(A) the manner in which applicable State agencies implement and enforce the eligibility requirements described in subparagraph (A) of such paragraph, including—*

*“(i) the procedures used by each State to determine cooperation, to sanction participants for failure to cooperate, and to determine good cause for noncooperation under each of subsections (l) through (n) of section 6; and*

*“(ii) the manner in which each State aligns the procedures for implementing those eligibility requirements with procedures for implementing other Federal programs that require cooperation with child support enforcement, including the program of block grants to States for temporary assistance for needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the Medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), and programs carried out under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9857 et seq.);*

*“(B) the Federal, State, and local costs associated with implementing those eligibility requirements, including costs incurred under this Act and by child support enforcement agencies for personnel, technology upgrades, and other costs;*

*“(C) the effect of those eligibility requirements on the establishment of new child support orders, the establishment of paternity, changes in child support payments to custodial households, and changes in arrears owed on child support orders;*

*“(D) with respect to the eligibility requirements under each of subsections (l) through (n) of section 6—*

*“(i) the number of individuals subject to those requirements;*

*“(ii) the number of individuals in each State who meet those requirements; and*

“(iii) the number of individuals in each State who fail to meet those requirements;

“(E) the number of individuals in each State for whom good cause for noncooperation has been found under section 6(l)(2);

“(F) the impact of those eligibility requirements on the supplemental nutrition assistance program eligibility, benefit levels, food security, income, and economic stability of—

“(i) individuals subject to those requirements;

“(ii) the household members of those individuals, including children; and

“(iii) households with nontraditional family structures, including a household in which a grandparent is the primary caretaker of a grandchild of the grandparent.

“(3) STATE AGENCY COOPERATION.—Each State agency selected under paragraph (1) shall provide information to the Secretary necessary to conduct the evaluation under such paragraph.

“(4) REPORT.—Not later than 3 years after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the findings from the evaluation conducted under paragraph (1).”

**SEC. 4015. LONGITUDINAL DATA FOR RESEARCH.**

(a) LONGITUDINAL DATA.—Section 17 of the Food and Nutrition Act of 2008 (7 U.S.C. 2026), as amended by section 4014, is amended by adding at the end the following:

“(n) LONGITUDINAL DATA FOR RESEARCH.—

“(1) IN GENERAL.—Subject to paragraphs (3) through (5), a State agency may, on approval by the Secretary, establish a longitudinal database that contains information about households and members of households that receive benefits under the supplemental nutrition assistance program in the State.

“(2) PURPOSE.—Each longitudinal database established under paragraph (1) shall be used solely to conduct research on participation in and the operation of the supplemental nutrition assistance program, including duration of participation in the program.

“(3) REQUIREMENTS FOR DATABASES.—Prior to the approval of State agencies to establish longitudinal databases under paragraph (1), the Secretary shall—

“(A) identify features that shall be standard across States such as database format to facilitate use of longitudinal databases established under paragraph (1) for research purposes;

“(B) identify features of longitudinal databases established under paragraph (1) that may vary across States;

“(C) identify a procedure for States operating longitudinal databases under paragraph (1) to use a unique identifier to provide relevant information on household members who receive benefits under the supplemental nutrition assistance program for the purpose of comparing participa-

tion data in multiple participating States over time while protecting participant privacy;

“(D) establish the manner in which data security and privacy protections, as required by Federal law and consistent with other appropriate practices, shall be implemented and maintained;

“(E) provide direction to State agencies on the responsibilities of and funding arrangements for State agencies and any State contractors (including entities providing technical assistance) relating to the establishment and operation of a longitudinal database;

“(F) provide a description of the documentation that States shall submit to the Secretary prior to allowing researchers access to a longitudinal database;

“(G) consult with other Federal research agencies, including the Bureau of the Census;

“(H) consult with States that have already established databases used for purposes similar to the purposes outlined in this subsection; and

“(I) identify any other requirements determined appropriate by the Secretary.

“(4) INCLUDED DATA.—

“(A) IN GENERAL.—Subject to subparagraph (B), each longitudinal database established under paragraph (1)—

“(i) shall include monthly information about households and members of households that receive benefits under the supplemental nutrition assistance program in the participating State taken from existing information collected by the State agency including, if available,—

“(I) demographic characteristics;

“(II) income and financial resources (as described in section 5(g));

“(III) employment status;

“(IV) household circumstances, such as deductible expenses; and

“(V) the amount of the monthly allotment received under the supplemental nutrition assistance program; and

“(ii) may include information from other State data sources such as—

“(I) earnings and employment data from the State department of labor;

“(II) health insurance program data; or

“(III) data from participation in other programs administered by the State.

“(B) DATA PROTECTION.—Any State that establishes a longitudinal database under paragraph (1) shall, in accordance with all applicable Federal and State privacy standards and requirements—

“(i) protect the privacy of information about each member of each household that receives benefits under the supplemental nutrition assistance program in such State by ensuring that no personally identifiable information (including social security number, home ad-

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dress, or contact information) is included in the longitudinal database; and

“(ii) make the data under this paragraph available to researchers and the Secretary.

“(5) APPROVAL.—The Secretary shall approve the establishment of longitudinal databases under paragraph (1) in States that—

“(A) meet the requirements for databases under paragraph (3) and (4)(B);

“(B) reflect a range of participant numbers, demographics, operational structures, and geographic regions; and

“(C) have the capacity to provide on a periodic and ongoing basis household and participant data derived from the eligibility system and other data sources of the State.

“(6) GRANTS.—

“(A) IN GENERAL.—In carrying out this subsection, the Secretary may provide grants to States that have been approved by the Secretary in accordance with paragraph (5) out of funds made available under paragraph (9).

“(B) METHOD OF AWARDING GRANTS.—Grants awarded under this paragraph shall be made in such amounts and under such terms and conditions as the Secretary determines necessary to carry out the purposes of this subsection.

“(7) REPORT.—

“(A) IN GENERAL.—Not later than 4 years after the effective date of this subsection, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the feasibility of expanding implementation of longitudinal databases to every State.

“(B) CONTENTS.—The report required under subparagraph (A) shall describe—

“(i) the cost of expanding implementation of longitudinal databases with consistent data to every State;

“(ii) the challenges and benefits of using State longitudinal databases with consistent data; and

“(iii) alternatives to expanding implementation of longitudinal databases with consistent data to every State that may achieve similar research outcomes and the advantages and disadvantages of those alternatives.

“(8) EFFECT.—Nothing in this subsection shall be construed to prevent or limit the ability of State agencies to establish or continue operating databases used for purposes similar to the purposes outlined in this subsection.

“(9) FUNDING.—Of the funds made available under section 18, the Secretary shall use to carry out this subsection—

“(A) \$20,000,000 for fiscal year 2019 to remain available through fiscal year 2021; and

“(B) \$5,000,000 for fiscal year 2022 and each fiscal year thereafter.”.

(b) CONFORMING AMENDMENT.—The 1st sentence of section 16(a) of the Food and Nutrition Act of 2008 is amended—

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(1) by striking “and (8)” and inserting “(8)”; and  
 (2) by inserting “, and (9) establishing and operating a longitudinal database in accordance with section 17(n)” before “: Provided”.

**SEC. 4016. AUTHORIZATION OF APPROPRIATIONS.**

The 1st sentence of section 18(a)(1) of the Food and Nutrition Act of 2008 (7 U.S.C. 2027(a)(1)) is amended by striking “2018” and inserting “2023”.

**SEC. 4017. ASSISTANCE FOR COMMUNITY FOOD PROJECTS.**

Section 25(b)(2) of the Food and Nutrition Act of 2008 (7 U.S.C. 2034(b)(2)) is amended—

- (1) in subparagraph (B) by striking “and” at the end,
- (2) in subparagraph (C) by striking “fiscal year 2015 and each fiscal year thereafter.” and inserting “each of fiscal years 2015 through 2018; and”, and
- (3) by adding at the end the following:
  - “(D) \$5,000,000 for fiscal year 2019 and each fiscal year thereafter.”.

**SEC. 4018. EMERGENCY FOOD ASSISTANCE PROGRAM.**

(a) **STATE PLAN.**—Section 202A(b) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7503(b)) is amended—

- (1) in paragraph (3), by striking “and” after the semicolon;
- (2) in paragraph (4), by striking the period at the end and inserting a semicolon; and
- (3) by adding at the end the following:
  - “(5) at the option of the State agency, describe a plan of operation for 1 or more projects in partnership with 1 or more emergency feeding organizations located in the State to harvest, process, package, or transport donated commodities received under section 203D(d); and
  - “(6) describe a plan, which may include the use of a State advisory board established under subsection (c), that provides emergency feeding organizations or eligible recipient agencies within the State an opportunity to provide input on the commodity preferences and needs of the emergency feeding organization or eligible recipient agency.”.

(b) **STATE AND LOCAL SUPPLEMENTATION OF COMMODITIES.**—Section 203D of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7507) is amended by adding at the end the following:

“(d) **PROJECTS TO HARVEST, PROCESS, PACKAGE, OR TRANSPORT DONATED COMMODITIES.**—

“(1) **DEFINITION OF PROJECT.**—In this subsection, the term ‘project’ means the harvesting, processing, packaging, or transportation of unharvested, unprocessed, or unpackaged commodities donated by agricultural producers, processors, or distributors for use by emergency feeding organizations under subsection (a).

“(2) **FEDERAL FUNDING FOR PROJECTS.**—

“(A) **IN GENERAL.**—Subject to subparagraphs (B) and (C) and paragraph (3), using funds made available under paragraph (5), the Secretary may provide funding to States to pay for the costs of carrying out a project.



*“(B) FEDERAL SHARE.—The Federal share of the cost of a project under subparagraph (A) shall not exceed 50 percent of the total cost of the project.”*

*“(C) ALLOCATION.—*

*“(i) IN GENERAL.—Each fiscal year, the Secretary shall allocate the funds made available under subparagraph (A), based on a formula determined by the Secretary, to States that have submitted a State plan describing a plan of operation for a project under section 202A(b)(5).”*

*“(ii) REALLOCATION.—If the Secretary determines that a State will not expend all of the funds allocated to the State for a fiscal year under clause (i), the Secretary shall reallocate the unexpended funds to other States that have submitted under section 202A(b)(5) a State plan describing a plan of operation for a project during that fiscal year or the subsequent fiscal year, as the Secretary determines appropriate.”*

*“(iii) REPORTS.—Each State to which funds are allocated for a fiscal year under this subparagraph shall, on a regular basis, submit to the Secretary financial reports describing the use of the funds.”*

*“(3) PROJECT PURPOSES.—A State may only use Federal funds received under paragraph (2) for a project the purposes of which are—*

*“(A) to reduce food waste at the agricultural production, processing, or distribution level through the donation of food;*

*“(B) to provide food to individuals in need; and*

*“(C) to build relationships between agricultural producers, processors, and distributors and emergency feeding organizations through the donation of food.”*

*“(4) COOPERATIVE AGREEMENTS.—The Secretary may encourage a State agency that carries out a project using Federal funds received under paragraph (2) to enter into cooperative agreements with State agencies of other States under section 203B(d) to maximize the use of commodities donated under the project.”*

*“(5) FUNDING.—Out of funds not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out this subsection \$4,000,000 for each of fiscal years 2019 through 2023, to remain available until the end of the subsequent fiscal year.”.*

*(c) FOOD WASTE.—Section 203D of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7507), as amended by subsection (b), is amended by adding at the end the following:*

*“(e) FOOD WASTE.—The Secretary shall issue guidance outlining best practices to minimize the food waste of the commodities donated under subsection (a).”.*

*(d) EMERGENCY FOOD PROGRAM INFRASTRUCTURE GRANTS.—Section 209(d) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7511a(d)) is amended by striking “2018” and inserting “2023”.*



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(e) *AVAILABILITY OF COMMODITIES FOR THE EMERGENCY FOOD ASSISTANCE PROGRAM.*—Section 27(a) of the Food and Nutrition Act of 2008 (7 U.S.C. 2036(a)) is amended—

(1) in paragraph (1), by striking “2018” and inserting “2023”; and

(2) in paragraph (2)—

(A) in subparagraph (C), by striking “2018” and inserting “2023”;

(B) in subparagraph (D)—

(i) in the matter preceding clause (i), by striking “2018” and inserting “2023”;

(ii) in clause (iii), by striking “and” after the semicolon;

(iii) in clause (iv), by striking “and” after the semicolon;

(iv) by adding at the end the following:

“(v) for fiscal year 2019, \$23,000,000;

“(vi) for fiscal year 2020, \$35,000,000;

“(vii) for fiscal year 2021, \$35,000,000;

“(viii) for fiscal year 2022, \$35,000,000; and

“(ix) for fiscal year 2023, \$35,000,000; and”;

(C) in subparagraph (E)—

(i) by striking “2019” and inserting “2024”;

(ii) by striking “(D)(iv)” and inserting “(D)(ix)”;

and

(iii) by striking “June 30, 2017” and inserting “June 30, 2023”.

**SEC. 4019. NUTRITION EDUCATION.**

Section 28(c) of the Food and Nutrition Act of 2008 (7 U.S.C. 2036a(c)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (B)—

(i) in the matter preceding clause (i), by striking “Except as provided in subparagraph (C), a” and inserting “A”;

(ii) in clause (ii) by striking “and” after the semicolon,

(iii) by redesignating clause (iii) as clause (iv), and

(iv) by inserting after clause (ii) the following:

“(iii) describe how the State agency shall use an electronic reporting system to—

“(I) measure and evaluate the projects; and

“(II) account for the allowable State agency administrative costs including for—

“(aa) salaries and benefits of State agency personnel;

“(bb) office supplies and equipment;

“(cc) travel costs;

“(dd) development and production of nutrition education materials;

“(ee) memberships, subscriptions, and professional activities;

“(ff) lease or rental costs;

“(gg) maintenance and repair expenses;

“(hh) indirect costs; and

- “(ii) cost of using publicly-owned building space; and”, and
- (B) by striking subparagraph (C),
- (2) in paragraph (3)(B) in the matter preceding clause (i), by inserting “, the Director of the National Institute of Food and Agriculture,” before “and outside stakeholders”,
- (3) in paragraph (5) by inserting “the expanded food and nutrition education program or” before “other health promotion”, and
- (4) by adding at the end the following:
- “(6) *INFORMATION CLEARINGHOUSE.*—The Secretary shall establish an online clearinghouse that makes available to State agencies, local agencies, institutions of higher education, and community organizations best practices for planning, implementing, and evaluating nutrition education and obesity prevention services to ensure that projects carried out with funds received under this section are appropriate for the target population.
- “(7) *TECHNICAL ASSISTANCE.*—The Secretary shall provide technical assistance to a State agency in developing and implementing a nutrition education State plan, including—
- “(A) by identifying common challenges faced by entities described in paragraph (6) that participate in projects carried out with funds received under this section;
- “(B) by coordinating efforts to address those common challenges;
- “(C) by collecting and disseminating information on evidence-based practices relating to nutrition education and obesity prevention;
- “(D) by facilitating communication between and among grantees and subgrantees of funds received under this section;
- “(E) by assisting State agencies in creating or maintaining systems to compile program data; and
- “(F) by performing or assisting with other activities, as determined by the Secretary.
- “(8) *ANNUAL STATE REPORT.*—Each State agency that delivers nutrition education and obesity prevention services under this subsection shall submit to the Secretary an annual report, which shall be made publicly available by the Secretary, that includes—
- “(A) the use of funds on the State agency’s program, including for each category of allowable State agency administrative costs identified in paragraph (2)(B)(iii)(II);
- “(B) a description of each project carried out by that agency under this subsection, including, with respect to the project, the target population, interventions, educational materials used, key performance indicators used, and evaluations made;
- “(C) a comprehensive analysis of the impacts and outcomes—
- “(i) of the project, including with respect to the elements described in subparagraph (A); and
- “(ii) to the extent practicable, of completed multiyear projects; and

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*“(D) the status of any ongoing multiyear project.*

*“(9) ANNUAL FEDERAL REPORT.—The Administrator of the Food and Nutrition Service, in consultation with the Director of the National Institute of Food and Agriculture, shall annually submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that—*

*“(A) evaluates the level of coordination between—*

*“(i) the nutrition education and obesity prevention grant program under this section;*

*“(ii) the expanded food and nutrition education program under section 1425 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3175); and*

*“(iii) any other nutrition education program administered by the Department of Agriculture; and*

*“(B) includes the use of funds on such programs including State agency administrative costs reported by States under paragraph (8)(A).”.*

**SEC. 4020. RETAIL FOOD STORE AND RECIPIENT TRAFFICKING.**

*Section 29(c)(1) of the Food and Nutrition Act of 2008 (7 U.S.C. 2036b(c)(1)) is amended by striking “2018” and inserting “2023”.*

**SEC. 4021. PUBLIC-PRIVATE PARTNERSHIPS.**

*The Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.) is amended by adding at the end the following:*

**“SEC. 30. PILOT PROJECTS TO ENCOURAGE THE USE OF PUBLIC-PRIVATE PARTNERSHIPS COMMITTED TO ADDRESSING FOOD INSECURITY.**

*“(a) IN GENERAL.—The Secretary may, on application of eligible entities, approve not more than 10 pilot projects to support public-private partnerships that address food insecurity and poverty.*

*“(b) DEFINITIONS.—For purposes of this section—*

*“(1) the term ‘eligible entity’ means—*

*“(A) a nonprofit organization;*

*“(B) a community-based organization;*

*“(C) an institution of higher education; or*

*“(D) a private entity, as determined by the Secretary;*

*and*

*“(2) the term ‘public agency’ means a department, agency, other unit, or instrumentality of Federal, State, or local government.*

*“(c) PROJECT REQUIREMENTS.—Projects approved under this section shall—*

*“(1) be limited to 2 years in length; and*

*“(2) include a collaboration between one or more public agencies and one or more eligible entities that—*

*“(A) improves the effectiveness and impact of the supplemental nutrition assistance program;*

*“(B) develops food security solutions that are specific to the needs of a community or region; and*

*“(C) strengthens the capacity of communities to address food insecurity and poverty.*

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“(d) *EVALUATION.*—*The Secretary shall provide for an independent evaluation of pilot projects approved under this section that includes—*

“(1) *a summary of the activities conducted under the pilot projects;*

“(2) *an assessment of the effectiveness of the pilot projects;*  
and

“(3) *best practices regarding the use of public-private partnerships to improve the effectiveness of public benefit programs to address food insecurity and poverty.*

“(e) *FUNDING.*—

“(1) *AUTHORIZATION OF APPROPRIATIONS.*—*There is authorized to be appropriated to carry out this section \$5,000,000 to remain available until expended.*

“(2) *APPROPRIATION IN ADVANCE.*—*Only funds appropriated under paragraph (1) in advance specifically to carry out this section shall be available to carry out this section.”.*

**SEC. 4022. TECHNICAL CORRECTIONS.**

*The Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.) is amended—*

(1) *in section 3—*

(A) *in subsections (d) and (i) by striking “7(i)” and inserting “7(h)”*, and

(B) *in subsection (o)(1)(A) by striking “(r)(1)” and inserting “(q)(1)”*,

(2) *in section 5(a) by striking “and section” each place it appears and all that follows through “households” the respective next place it appears, and inserting “and section 3(m)(4), households”*,

(3) *in subsections (e)(1) and (f)(1)(A)(i) of section 8 by striking “3(n)(5)” and inserting “3(m)(5)”*,

(4) *in the 1st sentence of section 10—*

(A) *by striking “or the Federal Savings and Loan Insurance Corporation” each place it appears, and*

(B) *by striking “3(p)(4)” and inserting “3(o)(4)”*,

(5) *in section 11—*

(A) *in subsection (a)(2) by striking “3(t)(1)” and inserting “3(s)(1)”*, and

(B) *in subsection (d)—*

(i) *by striking “3(t)(1)” each place it appears and inserting “3(s)(1)”*, and

(ii) *by striking “3(t)(2)” each place it appears and inserting “3(s)(2)”*, and

(C) *in subsection (e)—*

(i) *in paragraph (17) by striking “3(t)(1)” inserting “3(s)(1)”*, and

(ii) *in paragraph (23) by striking “Simplified Supplemental Nutrition Assistance Program” and inserting “simplified supplemental nutrition assistance program”*,

(6) *in section 15(e) by striking “exchange” and all that follows through “anything”*, and inserting “exchange for benefits, or anything”,

(7) *in section 17(b)(1)(B)(iv)(III)(aa) by striking “3(n)” and inserting “3(m)”*,

(8) in section 25(a)(1)(B)(i)(I) by striking the 2d semicolon at the end, and

(9) in section 26(b) by striking “out” and all that follows through “(referred”, and inserting “out a simplified supplemental nutrition assistance program (referred”.

## **Subtitle B—Commodity Distribution Programs**

### **SEC. 4101. COMMODITY DISTRIBUTION PROGRAM.**

The 1st sentence of section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note) is amended by striking “2018” and inserting “2023”.

### **SEC. 4102. COMMODITY SUPPLEMENTAL FOOD PROGRAM.**

Section 5 of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note; Public Law 93–86) is amended—

(1) in subsection (a)—

(A) in paragraph (1) by striking “2018” and inserting “2023”, and

(B) in paragraph (2)(B), in the matter preceding clause (i), by striking “2018” and inserting “2023”,

(2) in subsection (d)(2), in the 1st sentence, by striking “2018” and inserting “2023”, and

(3) in subsection (g)—

(A) by striking “Except” and inserting the following:

“(1) *IN GENERAL*.—Except”, and

(B) by adding at the end the following:

“(2) *CERTIFICATION*.—

“(A) *DEFINITION OF CERTIFICATION PERIOD*.—In this paragraph, the term ‘certification period’ means the period during which a participant in the commodity supplemental food program in a State may continue to receive benefits under the commodity supplemental food program without a formal review of the eligibility of the participant.

“(B) *MINIMUM CERTIFICATION PERIOD*.—Subject to subparagraphs (C) and (D), a State shall establish for the commodity supplemental food program of the State a certification period of—

“(i) not less than 1 year; but

“(ii) not more than 3 years.

“(C) *TEMPORARY CERTIFICATION*.—An eligible applicant for the commodity supplemental food program in a State may be provided with a temporary monthly certification to fill any caseload slot resulting from nonparticipation by certified participants.

“(D) *APPROVALS*.—A certification period of more than 1 year established by a State under subparagraph (B) shall be subject to the approval of the Secretary, who shall approve such a certification period on the condition that, with respect to each participant receiving benefits under the commodity supplemental food program of the State, the local agency in the State administering the commodity supplemental food program, on an annual basis during the certification period applicable to the participant—



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*“(i) verifies the address and continued interest of the participant; and*

*“(ii) has sufficient reason to determine that the participant still meets the income eligibility standards under paragraph (1), which may include a determination that the participant has a fixed income.”.*

**SEC. 4103. DISTRIBUTION OF SURPLUS COMMODITIES TO SPECIAL NUTRITION PROJECTS.**

*Section 1114(a)(2)(A) of the Agriculture and Food Act of 1981 (7 U.S.C. 1431e(a)(2)(A)) is amended by striking “2018” and inserting “2023”.*

**SEC. 4104. FOOD DONATION STANDARDS.**

*Section 203D of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7507), as amended by section 4018(c), is amended by adding at the end the following:*

*“(f) FOOD DONATION STANDARDS.—*

*“(1) DEFINITIONS.—In this subsection:*

*“(A) APPARENTLY WHOLESOME FOOD.—The term ‘apparently wholesome food’ has the meaning given the term in section 22(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1791(b)).*

*“(B) INSTITUTION OF HIGHER EDUCATION.—The term ‘institution of higher education’ has the meaning given the term in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002).*

*“(C) QUALIFIED DIRECT DONOR.—The term ‘qualified direct donor’ means a retail food store, wholesaler, agricultural producer, restaurant, caterer, school food authority, or institution of higher education.*

*“(2) GUIDANCE.—*

*“(A) IN GENERAL.—Not later than 180 days after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary shall issue guidance to promote awareness of donations of apparently wholesome food protected under section 22(c) of the Child Nutrition Act of 1966 (42 U.S.C. 1791(c)) by qualified direct donors in compliance with applicable State and local health, food safety, and food handling laws (including regulations).*

*“(B) ISSUANCE.—The Secretary shall encourage State agencies and emergency feeding organizations to share the guidance issued under subparagraph (A) with qualified direct donors.”.*

## **Subtitle C—Miscellaneous**

**SEC. 4201. SENIORS FARMERS’ MARKET NUTRITION PROGRAM.**

*Section 4402(a) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3007(a)) is amended by striking “2018” and inserting “2023”.*

**SEC. 4202. PURCHASE OF FRESH FRUITS AND VEGETABLES FOR DISTRIBUTION TO SCHOOLS AND SERVICE INSTITUTIONS.**

*Section 10603(b) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 612c-4(b)) is amended by striking “2018” and inserting “2023”.*



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**SEC. 4203. SERVICE OF TRADITIONAL FOODS IN PUBLIC FACILITIES.**

Section 4033(d)(1) of the Agricultural Act of 2014 (128 Stat. 818) is amended—

- (1) by striking “and” the 1st place it appears,
- (2) by inserting “, a State, a county or county equivalent, a local educational agency, and an entity or person authorized to facilitate the donation, storage, preparation, or serving of traditional food by the operator of a food service program” after “organization”, and
- (3) by inserting “storage, preparation, or” after “donation to or”.

**SEC. 4204. HEALTHY FOOD FINANCING INITIATIVE.**

Section 243 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6953) is amended—

- (1) in subsection (a), by inserting “and enterprises” after “retailers”;
- (2) in subsection (b)(3)(B)(iii), by inserting “and enterprises” after “retailers”; and
- (3) in subsection (c)(2)(B)(ii), by inserting “as applicable,” before “to accept”.

**SEC. 4205. THE GUS SCHUMACHER NUTRITION INCENTIVE PROGRAM.**

(a) AMENDMENT TO PROGRAM.—Section 4405 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 7517) is amended—

- (1) by striking the heading and inserting “**THE GUS SCHUMACHER NUTRITION INCENTIVE PROGRAM**”,

(2) in subsection (a)—

(A) by amending paragraph (1) to read as follows:

“(1) **ELIGIBLE ENTITY.**—The term ‘eligible entity’ means a governmental agency or nonprofit organization.”

(B) in paragraph (3) by striking “means the” and all that follows through the period at the end, and inserting the following:

“means—

“(A) the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.); and

“(B) the programs for nutrition assistance under section 19 of such Act (7 U.S.C. 2028).”, and

(C) by adding at the end the following:

“(4) **HEALTHCARE PARTNER.**—The term ‘healthcare partner’ means a healthcare provider, including—

“(A) a hospital;

“(B) a Federally-qualified health center (as defined in section 1905(l) of the Social Security Act (42 U.S.C. 1396d(l)));

“(C) a hospital or clinic operated by the Secretary of Veterans Affairs; or

“(D) a healthcare provider group.

“(5) **MEMBER.**—The term ‘member’ means, as determined by the applicable eligible entity or healthcare partner carrying out a project under subsection (c) in accordance with procedures established by the Secretary—

“(A) an individual eligible for—

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“(i) benefits under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.); or

“(ii) medical assistance under a State plan or a waiver of such a plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) and enrolled under such plan or waiver; and

“(B) a member of a low-income household that suffers from, or is at risk of developing, a diet-related health condition.”,

(3) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (B) by striking “The” and inserting “Except as provided in subparagraph (D)(iii), the”,

(ii) in subparagraph (C) by adding at the end the following:

“(iii) TRIBAL AGENCIES.—The Secretary may allow a Tribal agency to use funds provided to the Indian Tribe of the Tribal agency through a Federal agency (including the Indian Health Service) or other Federal benefit to satisfy all or part of the non-Federal share described in clause (i) if such use is otherwise consistent with the purpose of such funds.”,

(iii) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), and

(iv) by inserting after subparagraph (A) the following:

“(B) PARTNERS AND COLLABORATORS.—An eligible entity that receives a grant under this subsection may partner with, or make subgrants to, public, private, nonprofit, or for-profit entities, including—

“(i) an emergency feeding organization;

“(ii) an agricultural cooperative;

“(iii) a producer network or association;

“(iv) a community health organization;

“(v) a public benefit corporation;

“(vi) an economic development corporation;

“(vii) a farmers’ market;

“(viii) a community-supported agriculture program;

“(ix) a buying club;

“(x) a retail food store participating in the supplemental nutrition assistance program;

“(xi) a State, local, or tribal agency;

“(xii) another eligible entity that receives a grant under this subsection; and

“(xiii) any other entity the Secretary designates.”,

(B) in paragraph (2)—

(i) by amending subparagraph (A) to read as follows:

“(A) IN GENERAL.—To receive a grant under this subsection, an eligible entity shall—

“(i) meet the application criteria set forth by the Secretary; and

“(ii) propose a project that, at a minimum—

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*“(I) has the support of the State agency administering the supplemental nutrition assistance program;*

*“(II) would increase the purchase of fruits and vegetables by low-income households participating in the supplemental nutrition assistance program by providing an incentive for the purchase of fruits and vegetables at the point of purchase to a household purchasing food with supplemental nutrition assistance program benefits;*

*“(III) except in the case of projects receiving \$100,000 or less over 1 year, would measure the purchase of fruits and vegetables by low-income households participating in the supplemental nutrition assistance program;*

*“(IV) ensures that the same terms and conditions apply to purchases made by individuals with benefits issued under the Food and Nutrition Act of 2008 and incentives provided for in this subsection as apply to purchases made by individuals who are not members of households receiving benefits, such as provided for in section 278.2(b) of title 7, Code of Federal Regulations (or a successor regulation);*

*“(V) has adequate plans to collect data for reporting and agrees to provide that information for the report described in subsection (e)(2)(B)(iii); and*

*“(VI) would share information with the Nutrition Incentive Program Training, Technical Assistance, Evaluation, and Information Centers established under subsection (e).”*

*(ii) in subparagraph (B)—*

*(I) by striking clause (v),*

*(II) by redesignating clause (vi) as clause (x), and*

*(III) by inserting after clause (iv) the following:*

*“(v) include a project design—*

*“(I) that provides incentives when fruits or vegetables are purchased using supplemental nutrition assistance program benefits; and*

*“(II) in which the incentives earned may be used only to purchase fruits or vegetables;*

*“(vi) have demonstrated the ability to provide services to underserved communities;*

*“(vii) include coordination with multiple stakeholders, such as farm organizations, nutrition education programs, cooperative extension services, public health departments, health providers, private and public health insurance agencies, cooperative grocers, grocery associations, and community-based and non-governmental organizations;*

*“(viii) offer supplemental services in high-need communities, including online ordering, transportation between home and store, and delivery services;*

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- “(ix) include food retailers that are open—  
 “(I) for extended hours; and  
 “(II) most or all days of the year; or”, and  
 (C) by striking paragraphs (3) and (4),  
 (4) in subsection (c)—  
 (A) in paragraph (1) by striking “subsection (b) \$5,000,000 for each of fiscal years 2014 through 2018” and inserting “this section \$5,000,000 for each of fiscal years 2014 through 2023”, and  
 (B) in paragraph (2)—  
 (i) in the matter preceding subparagraph (A), by striking “subsection (b)” and inserting “this section”,  
 (ii) in subparagraph (B) by striking “and” at the end,  
 (iii) in subparagraph (C) by striking the period at the end and inserting a semicolon, and  
 (iv) by adding at the end the following:  
 “(C) \$45,000,000 for fiscal year 2019;  
 “(D) \$48,000,000 for fiscal year 2020;  
 “(E) \$48,000,000 for fiscal year 2021;  
 “(F) \$53,000,000 for fiscal year 2022; and  
 “(G) \$56,000,000 for fiscal year 2023 and each fiscal year thereafter.  
 “(3) USE OF FUNDS.—With respect to funds made available under this section for fiscal years 2019 through 2023—  
 “(A) for each fiscal year the Secretary shall use not more than 10 percent of such funds available for such fiscal year for the produce prescription program described in subsection (c);  
 “(B) for each fiscal year not more than 8 percent of such funds available for such fiscal year shall be used by the National Institute of Food and Agriculture and the Food and Nutrition Service for administration; and  
 “(C) the Secretary shall use for the Nutrition Incentive Program Training, Technical Assistance, Evaluation, and Information Centers established under subsection (e) not more than—  
 “(i) \$17,000,000 in the aggregate for fiscal years 2019 and 2020; and  
 “(ii) \$7,000,000 for each of the fiscal years 2021 through 2023.”,  
 (5) by redesignating subsection (c) as subsection (f), and  
 (6) by inserting after subsection (b) the following:  
 “(c) PRODUCE PRESCRIPTION PROGRAM.—  
 “(1) IN GENERAL.—The Secretary shall establish a grant program under which the Secretary shall award grants to eligible entities to conduct projects that demonstrate and evaluate the impact of the projects on—  
 “(A) the improvement of dietary health through increased consumption of fruits and vegetables;  
 “(B) the reduction of individual and household food insecurity; and  
 “(C) the reduction in healthcare use and associated costs.

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“(2) *HEALTHCARE PARTNERS.*—*In carrying out a project using a grant received under paragraph (1), an eligible entity shall partner with 1 or more healthcare partners.*

“(3) *GRANT APPLICATIONS.*—

“(A) *IN GENERAL.*—*To be eligible to receive a grant under paragraph (1), an eligible entity—*

“(i) *shall—*

“(I) *prescribe fresh fruits and vegetables to members;*

“(II) *submit to the Secretary an application containing such information as the Secretary may require, including the information described in subparagraph (B); and*

“(ii) *may—*

“(I) *provide financial or non-financial incentives for members to purchase or procure fresh fruits and vegetables;*

“(II) *provide educational resources on nutrition to members; and*

“(III) *establish additional accessible locations for members to procure fresh fruits and vegetables.*

“(B) *APPLICATION.*—*An application shall—*

“(i) *identify the 1 or more healthcare partners with which the eligible entity is partnering under paragraph (2); and*

“(ii) *include—*

“(I) *a description of the methods by which an eligible entity shall—*

“(aa) *screen and verify eligibility for members for participation in a produce prescription project, in accordance with procedures established under subsection (a)(5);*

“(bb) *implement an effective produce prescription project, including the role of each healthcare partner in implementing the produce prescription project;*

“(cc) *evaluate members participating in a produce prescription project with respect to the matters described in subparagraphs (A) through (C) of paragraph (1);*

“(dd) *provide educational opportunities relating to nutrition to members participating in a produce prescription project; and*

“(ee) *inform members of the availability of the produce prescription project, including locations at which produce prescriptions may be redeemed;*

“(II) *a description of any additional nonprofit or emergency feeding organizations that shall be involved in the project and the role of each additional nonprofit or emergency feeding organization in implementing and evaluating an effective produce prescription project;*

“(III) *documentation of a partnership agreement with a relevant State Medicaid agency or*

*other appropriate entity, as determined by the Secretary, to evaluate the effectiveness of the produce prescription project in reducing healthcare use and associated costs;*

*“(IV) adequate plans to collect data for reporting and agreement to provide that information for the report described in subsection (e)(2)(B)(iii); and*

*“(V) agreement to share information with the Nutrition Incentive Program Training, Technical Assistance, Evaluation, and Information Centers established under subsection (e).*

*“(4) COORDINATION.—In carrying out the grant program established under paragraph (1), the Secretary shall coordinate with the Secretary of Health and Human Services and the heads of other appropriate Federal agencies that carry out activities relating to healthcare partners.*

*“(5) PARTNERSHIPS.—*

*“(A) IN GENERAL.—In carrying out the grant program under paragraph (1), the Secretary may enter into 1 or more memoranda of understanding with a Federal agency, a State, or a private entity to ensure the effective implementation and evaluation of each project.*

*“(B) MEMORANDUM OF UNDERSTANDING.—A memorandum of understanding entered into under subparagraph (A) shall include—*

*“(i) a description of a plan to provide educational opportunities relating to nutrition to members participating in produce prescription projects;*

*“(ii) a description of the role of the Federal agency, State, or private entity, as applicable, in implementing and evaluating an effective produce prescription project; and*

*“(iii) documentation of a partnership agreement with a relevant State Medicaid agency or other appropriate entity, as determined by the Secretary.*

*“(d) APPLICABILITY.—*

*“(1) IN GENERAL.—The value of any benefit provided to a participant in any activity funded under subsections (b) or (c) shall be treated as supplemental nutrition benefits under section 8(b) of the Food and Nutrition Act of 2008 (7 U.S.C. 2017(b)).*

*“(2) PROHIBITION ON COLLECTION OF SALES TAXES.—Each State shall ensure that no State or local tax is collected on a purchase of food with assistance provided under subsections (b) and (c).*

*“(3) NO LIMITATION ON BENEFITS.—Grants made available under subsections (b) and (c) shall not be used to carry out any project that limits the use of benefits under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.) or any other Federal nutrition law.*

*“(4) HOUSEHOLD ALLOTMENT.—Assistance provided under subsections (b) and (c) to households receiving benefits under the supplemental nutrition assistance program shall not—*

*“(A) be considered part of the supplemental nutrition assistance program benefits of the household; or*



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*“(B) be used in the collection or disposition of claims under section 13 of the Food and Nutrition Act of 2008 (7 U.S.C. 2022).*

*“(e) NUTRITION INCENTIVE PROGRAM TRAINING, TECHNICAL ASSISTANCE, EVALUATION, AND INFORMATION CENTERS.—*

*“(1) IN GENERAL.—The Secretary shall—*

*“(A) establish 1 or more Nutrition Incentive Program Training, Technical Assistance, Evaluation, and Informational Centers, in consultation with the Director of the National Institute of Food and Agriculture; and*

*“(B) to the extent practicable, consult on the design and scope of such Centers with grocers, farmers, health professionals, researchers, incentive program managers, and employees of the Department of Agriculture with direct experience with implementation of existing incentive programs or projects.*

*“(2) ESTABLISHMENT.—The Centers shall be capable of providing services related to grants under subsections (b) and (c), including—*

*“(A) offering incentive program training and technical assistance to applicants and grantees to the extent practicable, including—*

*“(i) collecting and providing information on best practices that may include communications, signage, record-keeping, incentive instruments, development and integration of point of sale systems, and reporting;*

*“(ii) disseminating information and assisting with collaboration among grantee projects, applicable State agencies, and nutrition education programs;*

*“(iii) facilitating communication between grantees and the Department of Agriculture and applicable State agencies; and*

*“(iv) providing support for the development of best practices for produce prescription projects and the sharing of information among eligible entities and healthcare providers that participate in a produce prescription project under subsection (c); and*

*“(v) other services identified by the Secretary; and*

*“(B) creating a system to collect and compile core data sets from eligible entities that—*

*“(i) uses standard metrics with consideration of outcome measures for existing projects;*

*“(ii) includes to the extent practicable grocers, farmers, health professionals, researchers, incentive program managers, and employees of the Department of Agriculture with direct experience with implementation of existing incentive programs in the design of the instrument through which data will be collected and the mechanism for reporting;*

*“(iii) compiles project data from grantees, and beginning in fiscal year 2020 generates an annual report to Congress on grant outcomes, including—*

*“(I) the results of the project; and*

*“(II) the amount of grant funds used for the project; and*

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*“(iv) creates and maintains a publicly accessible online site that makes annual reports and incentive program information available in an anonymized format that protects confidential, personal, or other sensitive data.”*

*“(3) COOPERATIVE AGREEMENT.—*

*“(A) IN GENERAL.—To carry out paragraph (1), the Secretary may, on a competitive basis, enter into 1 or more cooperative agreements with 1 or more organizations with expertise in developing outcome-based reporting, at least 1 of which has expertise in the food insecurity nutrition incentive program and at least 1 of which has expertise in produce prescription projects.*

*“(B) INCLUSION.—The organizations referred to in subparagraph (A) may include—*

*“(i) nongovernmental organizations;*

*“(ii) State cooperative extension services;*

*“(iii) regional food system centers;*

*“(iv) Federal, State, or Tribal agencies;*

*“(v) institutions of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a))); or*

*“(vi) other appropriate entities as determined by the Secretary.”*

*(b) CONFORMING AMENDMENT.—The table of contents of the Food, Conservation, and Energy Act of 2008 (Public Law 113–188) is amended by striking the item relating to section 4405 and inserting the following:*

*“Sec. 4405. The Gus Schumacher nutrition incentive program.”*

**SEC. 4206. MICRO-GRANTS FOR FOOD SECURITY.**

*(a) PURPOSE.—The purpose of this section is to increase the quantity and quality of locally grown food through small-scale gardening, herding, and livestock operations in food insecure communities in areas of the United States that have significant levels of food insecurity and import a significant quantity of food.*

*(b) DEFINITIONS.—In this section:*

*(1) ELIGIBLE ENTITY.—The term “eligible entity” means an entity that—*

*(A) is—*

*(i) an individual;*

*(ii) an Indian tribe or tribal organization, as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304);*

*(iii) a nonprofit organization engaged in increasing food security, as determined by the Secretary, including—*

*(I) a religious organization;*

*(II) a food bank; or*

*(III) a food pantry;*

*(iv) a federally funded educational facility, including—*

*(I) a Head Start program or an Early Head Start program carried out under the Head Start Act (42 U.S.C. 9831 et seq.);*

- (II) a public elementary school or public secondary school;
- (III) a public institution of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001));
- (IV) a Tribal College or University (as defined in section 316(b) of the Higher Education Act of 1965 (20 U.S.C. 1059c(b))); or
- (V) a job training program; or
- (v) a local or Tribal government that may not levy local taxes under State or Federal law; and
- (B) is located in an eligible State.
- (2) *ELIGIBLE STATE.*—The term “eligible State” means—
- (A) the State of Alaska;
- (B) the State of Hawaii;
- (C) American Samoa;
- (D) the Commonwealth of the Northern Mariana Islands;
- (E) the Commonwealth of Puerto Rico;
- (F) the Federated States of Micronesia;
- (G) Guam;
- (H) the Republic of the Marshall Islands;
- (I) the Republic of Palau; and
- (J) the United States Virgin Islands.
- (c) *ESTABLISHMENT.*—The Secretary shall distribute funds to the agricultural department or agency of each eligible State for the competitive distribution of subgrants to eligible entities to increase the quantity and quality of locally grown food in food insecure communities, including through small-scale gardening, herding, and livestock operations.
- (d) *DISTRIBUTION OF FUNDS.*—
- (1) *IN GENERAL.*—Of the amount made available under subsection (g), the Secretary shall distribute—
- (A) 40 percent to the State of Alaska;
- (B) 40 percent to the State of Hawaii; and
- (C) 2.5 percent to each eligible State described in any of subparagraphs (C) through (J) of subsection (b)(2).
- (2) *CARRYOVER OF FUNDS.*—Funds distributed under paragraph (1) shall remain available until expended.
- (3) *ADMINISTRATIVE FUNDS.*—An eligible State that receives funds under paragraph (1) may use not more than 3 percent of those funds—
- (A) to administer the competition for providing subgrants to eligible entities in that eligible State;
- (B) to provide oversight of the subgrant recipients in that eligible State; and
- (C) to collect data and submit a report to the Secretary under subsection (f)(2).
- (e) *SUBGRANTS TO ELIGIBLE ENTITIES.*—
- (1) *AMOUNT OF SUBGRANTS.*—
- (A) *IN GENERAL.*—The amount of a subgrant to an eligible entity under this section shall be—
- (i) in the case of an eligible entity that is an individual, not greater than \$5,000 per year; and

(ii) in the case of an eligible entity described in any of clauses (ii) through (v) of subsection (b)(1)(A), not greater than \$10,000 per year.

(B) *MATCHING REQUIREMENT.*—As a condition of receiving a subgrant under this section, an eligible entity shall provide funds equal to 10 percent of the amount received by the eligible entity under the subgrant, to be derived from non-Federal sources. A State may waive the matching requirement for an individual who otherwise meets the requirements to receive a subgrant by the eligible State.

(C) *PROJECT PERIOD.*—Funds received by an eligible entity that is awarded a subgrant under this section shall remain available for expenditure not later than 3 years after the date the funds are received.

(2) *PRIORITY.*—In carrying out the competitive distribution of subgrants under subsection (c), an eligible State may give priority to an eligible entity that—

(A) has not previously received a subgrant under this section; or

(B) is located in a community or region in that eligible State with the highest degree of food insecurity, as determined by the agricultural department or agency of the eligible State.

(3) *PROJECTS.*—An eligible State may provide subgrants to 2 or more eligible entities to carry out the same project.

(4) *USE OF SUBGRANT FUNDS BY ELIGIBLE ENTITIES.*—An eligible entity that receives a subgrant under this section shall use the funds to engage in activities that will increase the quantity and quality of locally grown food for food insecure individuals, families, neighborhoods, and communities, including by—

(A) purchasing gardening tools or equipment, soil, soil amendments, seeds, plants, animals, canning equipment, refrigeration, or other items necessary to grow and store food;

(B) purchasing or building composting units;

(C) purchasing or building towers designed to grow leafy green vegetables;

(D) expanding an area under cultivation or engaging in other activities necessary to be eligible to receive funding under the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) for a high tunnel;

(E) engaging in an activity that extends the growing season;

(F) starting or expanding hydroponic and aeroponic farming of any scale;

(G) building, buying, erecting, or repairing fencing for livestock, poultry, or reindeer;

(H) purchasing and equipping a slaughter and processing facility approved by the Secretary;

(I) traveling to participate in agricultural education provided by—

(i) a State cooperative extension service;

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(ii) a land-grant college or university (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103));

(iii) a Tribal College or University (as defined in section 316(b) of the Higher Education Act of 1965 (20 U.S.C. 1059c(b)));

(iv) an Alaska Native-serving institution or a Native Hawaiian-serving institution (as such terms are defined in section 317(b) of the Higher Education Act of 1965 (20 U.S.C. 1059d(b))); or

(v) a Federal or State agency;

(J) paying for shipping of purchased items relating to growing or raising food for local consumption or purchase;

(K) creating or expanding avenues for—

(i) the sale of food commodities, specialty crops, and meats that are grown by the eligible entity for sale in the local community; or

(ii) increasing the availability of fresh, locally grown, and nutritious food; and

(L) engaging in other activities relating to increasing food security (including subsistence), as determined by the Secretary.

(5) **ELIGIBILITY FOR OTHER FINANCIAL ASSISTANCE.**—An eligible entity shall not be ineligible to receive financial assistance under another program administered by the Secretary as a result of receiving a subgrant under this section.

(f) **REPORTING REQUIREMENT.**—

(1) **SUBGRANT RECIPIENTS.**—As a condition of receiving a subgrant under this section, an eligible entity shall agree to submit to the eligible State in which the eligible entity is located a report—

(A) not later than 60 days after the end of the project funded by the subgrant; and

(B) that describes the use of the subgrants by eligible entities, the quantity of food grown through small-scale gardening, herding, and livestock operations, and the number of food insecure individuals fed as a result of the subgrant.

(2) **REPORT TO THE SECRETARY.**—Not later than 120 days after the date on which an eligible State receives a report from each eligible entity in that State under paragraph (1), the eligible State shall submit to the Secretary a report that describes, in the aggregate, the information and data contained in the reports received from those eligible entities.

(g) **FUNDING.**—

(1) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to the Secretary to carry out this section \$10,000,000 for fiscal year 2019 and each fiscal year thereafter, to remain available until expended.

(2) **APPROPRIATIONS IN ADVANCE.**—Only funds appropriated under paragraph (1) in advance specifically to carry out this section shall be available to carry out this section.



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**SEC. 4207. BUY AMERICAN REQUIREMENTS.**

(a) *ENFORCEMENT.*—Not later than 180 days after the date of the enactment of this Act, the Secretary of Agriculture shall—

(1) enforce full compliance with the requirements of section 12(n) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1760(n)) for purchases of agricultural commodities, including fish, meats, vegetables, and fruits, and the products thereof, and

(2) ensure that States and school food authorities fully understand their responsibilities under such Act.

(b) *REQUIREMENT.*—The products of the agricultural commodities described in subsection (a)(1) shall be processed in the United States and substantially contain—

(1) meats, vegetables, fruits, and other agricultural commodities produced in—

(A) a State,

(B) the District of Columbia,

(C) the Commonwealth of Puerto Rico, or

(D) any territory or possession of the United States, or

(2) fish harvested—

(A) within the Exclusive Economic Zone of the United States, as described in Presidential Proclamation 5030 (48 Fed. Reg. 10605; March 10, 1983), or

(B) by a United States flagged vessel.

(c) *REPORT.*—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the actions the Secretary has taken, and plans to take, to comply with this section.

**SEC. 4208. HEALTHY FLUID MILK INCENTIVES PROJECTS.**

(a) *DEFINITION OF FLUID MILK.*—In this section the term “fluid milk” means all varieties of pasteurized cow’s milk that—

(1) is without flavoring or sweeteners,

(2) is consistent with the most recent dietary recommendations,

(3) is packaged in liquid form, and

(4) contains vitamins A and D at levels consistent with the Food and Drug Administration, State, and local standards for fluid milk.

(b) *PROJECTS.*—The Secretary of Agriculture shall carry out, under such terms and conditions as the Secretary considers to be appropriate, healthy fluid milk incentive projects to develop and test methods to increase the purchase and consumption of fluid milk by members of households that receive supplemental nutrition assistance program benefits by providing an incentive for the purchase of fluid milk at the point of purchase to members of households purchasing food with supplemental nutrition assistance program benefits.

(c) *GRANTS OR COOPERATIVE AGREEMENTS.*—

(1) *IN GENERAL.*—To carry out this section, the Secretary, on a competitive basis, shall enter into cooperative agreements with, or provide grants to, governmental entities or nonprofit organizations for projects that meet the purpose and selection criteria specified in this subsection.

(2) *APPLICATION.*—To be eligible to enter into a cooperative agreement or receive a grant under this subsection, a govern-



ment entity or nonprofit organization shall submit to the Secretary an application containing such information as the Secretary may require.

(3) *SELECTION CRITERIA.*—Projects proposed in applications shall be evaluated against publicly disseminated criteria that shall incorporate a scientifically based strategy that is designed to improve diet quality and nutritional outcomes through the increased purchase of fluid milk by members of households that participate in the supplemental nutrition assistance program.

(4) *USE OF FUNDS.*—Funds made available to carry out this section shall not be used for any project that limits the use of benefits provided under the Food and Nutrition Act of 2008.

(d) *EVALUATION AND REPORTING.*—

(1) *EVALUATION.*—

(A) *INDEPENDENT EVALUATION.*—

(i) *IN GENERAL.*—The Secretary shall provide for an independent evaluation of projects selected under this section that measures, to the maximum extent practicable, the impact on health and nutrition.

(ii) *REQUIREMENT.*—The independent evaluation under this subparagraph shall use rigorous methodologies, particularly random assignment or other methods that are capable of producing scientifically valid information regarding which activities are effective.

(B) *COSTS.*—The Secretary may use funds not to exceed 7 percent of the funding provided to carry out this section to pay costs associated with evaluating the outcomes of the healthy fluid milk incentive projects.

(2) *REPORTING.*—Not later than December 31 of 2020, and biennially thereafter, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that includes a description of—

(A) the status of each healthy fluid milk incentives project, and

(B) the results of any completed evaluation that—

(i) include, to the maximum extent practicable, the impact of the healthy fluid milk incentive projects on health and nutrition outcomes among households participating in such projects, and

(ii) have not been submitted in a previous report under this paragraph.

(3) *PUBLIC DISSEMINATION.*—In addition to the reporting requirements under paragraph (2), evaluation results shall be shared publicly to promote wide use of successful strategies.

(e) *FUNDING.*—

(1) *AUTHORIZATION OF APPROPRIATIONS.*—There is authorized to be appropriated \$20,000,000 to carry out and evaluate the outcomes of projects under this section, to remain available until expended.

(2) *APPROPRIATIONS IN ADVANCE.*—Only funds appropriated under paragraph (1) in advance specifically to carry out this section shall be available to carry out this section.

## **TITLE V—CREDIT**

### **Subtitle A—Farm Ownership Loans**

**SEC. 5101. MODIFICATION OF THE 3-YEAR EXPERIENCE ELIGIBILITY REQUIREMENT FOR FARM OWNERSHIP LOANS.**

*Section 302(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922(b)) is amended by adding at the end the following:*

*“(4) WAIVER AUTHORITY.—In the case of a qualified beginning farmer or rancher, the Secretary may—*

*“(A) reduce the 3-year requirement in paragraph (1) to 1 or 2 years, if the farmer or rancher has—*

*“(i) not less than 16 credit hours of post-secondary education in a field related to agriculture;*

*“(ii) successfully completed a farm management curriculum offered by a cooperative extension service, a community college, an adult vocational agriculture program, a nonprofit organization, or a land-grant college or university;*

*“(iii) at least 1 year of experience as hired farm labor with substantial management responsibilities;*

*“(iv) successfully completed a farm mentorship, apprenticeship, or internship program with an emphasis on management requirements and day-to-day farm management decisions;*

*“(v) significant business management experience;*

*“(vi) been honorably discharged from the armed forces of the United States;*

*“(vii) successfully repaid a youth loan made under section 311(b); or*

*“(viii) an established relationship with an individual who has experience in farming or ranching, or is a retired farmer or rancher, and is participating as a counselor in a Service Corps of Retired Executives program authorized under section 8(b)(1)(B) of the Small Business Act (15 U.S.C. 637(b)(1)(B)), or with a local farm or ranch operator or organization, approved by the Secretary, that is committed to mentoring the farmer or rancher; or*

*“(B) waive the 3-year requirement in paragraph (1) if the farmer or rancher meets the requirements of clauses (iii) and (viii) of subparagraph (A).”.*

**SEC. 5102. CONSERVATION LOAN AND LOAN GUARANTEE PROGRAM.**

*Section 304(h) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1924(h)) is amended by striking “2018” and inserting “2023”.*

**SEC. 5103. LIMITATIONS ON AMOUNT OF FARM OWNERSHIP LOANS.**

*Section 305 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1925) is amended—*

*(1) in subsection (a)(2)—*

*(A) by striking “\$300,000” and inserting “\$600,000”;*

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(B) by striking “\$700,000” and inserting “\$1,750,000”;  
and

(C) by striking “2000” and inserting “2019”; and  
(2) in subsection (c)—

(A) in paragraph (1), by striking “August” and insert-  
ing “July”; and

(B) in paragraph (2), by striking “ending on August 31,  
1996” and inserting “that immediately precedes the 12-  
month period described in paragraph (1)”.

**SEC. 5104. RELENDING PROGRAM TO RESOLVE OWNERSHIP AND SUC-  
CESSION ON FARMLAND.**

*Subtitle A of title III of the Consolidated Farm and Rural De-  
velopment Act (7 U.S.C. 1922 et seq.) is amended by adding at the  
end the following:*

**“SEC. 310I. RELENDING PROGRAM TO RESOLVE OWNERSHIP AND SUC-  
CESSION ON FARMLAND.**

*“(a) IN GENERAL.—The Secretary may make loans to eligible en-  
tities described in subsection (b) so that the eligible entities may  
relend the funds to individuals and entities for the purposes de-  
scribed in subsection (c).*

*“(b) ELIGIBLE ENTITIES.—Entities eligible for loans described in  
subsection (a) are cooperatives, credit unions, and nonprofit organi-  
zations with—*

*“(1) certification under section 1805.201 of title 12, Code of  
Federal Regulations (or successor regulations), to operate as a  
lender;*

*“(2) experience assisting socially disadvantaged farmers  
and ranchers (as defined in subsection (a) of section 2501 of the  
Food, Agriculture, Conservation, and Trade Act of 1990 (7  
U.S.C. 2279)) or limited resource or new and beginning farmers  
and ranchers, rural businesses, cooperatives, or credit unions,  
including experience in making and servicing agricultural and  
commercial loans; and*

*“(3) the ability to provide adequate assurance of the repay-  
ment of a loan.*

*“(c) ELIGIBLE PURPOSES.—The proceeds from loans made by the  
Secretary pursuant to subsection (a) shall be re-lent by eligible en-  
tities for projects that assist heirs with undivided ownership interests  
to resolve ownership and succession on farmland that has multiple  
owners.*

*“(d) PREFERENCE.—In making loans under subsection (a), the  
Secretary shall give preference to eligible entities—*

*“(1) with not less than 10 years of experience serving so-  
cially disadvantaged farmers and ranchers; and*

*“(2) in States that have adopted a statute consisting of an  
enactment or adoption of the Uniform Partition of Heirs Prop-  
erty Act, as approved and recommended for enactment in all  
States by the National Conference of Commissioners on Uni-  
form State Laws in 2010, that relend to owners of heirs prop-  
erty (as defined in that Act).*

*“(e) LOAN TERMS AND CONDITIONS.—The following terms and  
conditions shall apply to loans made under this section:*

*“(1) The interest rate at which intermediaries may borrow  
funds under this section shall be determined by the Secretary.*

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“(2) *The rates, terms, and payment structure for borrowers to which intermediaries lend shall be—*

“(A) *determined by the intermediary in an amount sufficient to cover the cost of operating and sustaining the revolving loan fund; and*

“(B) *clearly and publicly disclosed to qualified ultimate borrowers.*

“(3) *Borrowers to which intermediaries lend shall be—*

“(A) *required to complete a succession plan as a condition of the loan; and*

“(B) *be offered the opportunity to borrow sufficient funds to cover costs associated with the succession plan under subparagraph (A) and other associated legal and closing costs.*

“(f) *REPORT.—Not later than 1 year after the date of enactment of this section, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the operation and outcomes of the program under this section, with recommendations on how to strengthen the program.*

“(g) *AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$10,000,000 for each of fiscal years 2019 through 2023.”.*

## ***Subtitle B—Operating Loans***

### **SEC. 5201. LIMITATIONS ON AMOUNT OF OPERATING LOANS.**

*Section 313 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1943) is amended—*

*(1) in subsection (a)(1)—*

*(A) by striking “\$300,000” and inserting “\$400,000”;*

*(B) by striking “\$700,000” and inserting “\$1,750,000”;*

*and*

*(C) by striking “2000” and inserting “2019”; and*

*(2) in subsection (b)—*

*(A) in paragraph (1), by striking “August” and inserting “July”; and*

*(B) in paragraph (2), by striking “ending on August 31, 1996” and inserting “that immediately precedes the 12-month period described in paragraph (1)”.*

### **SEC. 5202. MICROLOANS.**

*Section 313(c)(2) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1943(c)(2)) is amended by striking “title” and inserting “subsection”.*

### **SEC. 5203. COOPERATIVE LENDING PILOT PROJECTS.**

*Section 313(c)(4)(A) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1943(c)(4)(A)) is amended by striking “2018” and inserting “2023”.*

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### ***Subtitle C—Administrative Provisions***

**SEC. 5301. BEGINNING FARMER AND RANCHER INDIVIDUAL DEVELOPMENT ACCOUNTS PILOT PROGRAM.**

*Section 333B(h) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1983b(h)) is amended by striking “2018” and inserting “2023”.*

**SEC. 5302. LOAN AUTHORIZATION LEVELS.**

*Section 346(b)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1994(b)(1)) is amended—*

*(1) in the matter preceding subparagraph (A), by striking “\$4,226,000,000 for each of fiscal years 2008 through 2018” and inserting “\$10,000,000,000 for each of fiscal years 2019 through 2023”; and*

*(2) by striking subparagraphs (A) and (B) and inserting the following:*

*“(A) \$3,000,000,000 shall be for direct loans, of which—*

*“(i) \$1,500,000,000 shall be for farm ownership loans under subtitle A; and*

*“(ii) \$1,500,000,000 shall be for operating loans under subtitle B; and*

*“(B) \$7,000,000,000 shall be for guaranteed loans, of which—*

*“(i) \$3,500,000,000 shall be for farm ownership loans under subtitle A; and*

*“(ii) \$3,500,000,000 shall be for operating loans under subtitle B.”.*

**SEC. 5303. LOAN FUND SET-ASIDES.**

*Section 346(b)(2)(A)(ii)(III) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1994(b)(2)(A)(ii)(III)) is amended by striking “2018” and inserting “2023”.*

**SEC. 5304. USE OF ADDITIONAL FUNDS FOR DIRECT OPERATING MICROLOANS UNDER CERTAIN CONDITIONS.**

*Section 346(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1994(b)) is amended by adding at the end the following:*

*“(5) USE OF ADDITIONAL FUNDS FOR DIRECT OPERATING MICROLOANS UNDER CERTAIN CONDITIONS.—*

*“(A) IN GENERAL.—If the Secretary determines that the amount needed for a fiscal year for direct operating loans (including microloans) under subtitle B is greater than the aggregate principal amount authorized for that fiscal year by this Act, an appropriations Act, or any other provision of law, the Secretary shall make additional microloans under subtitle B using amounts made available under subparagraph (C).*

*“(B) NOTICE.—Not later than 15 days before the date on which the Secretary uses the authority under subparagraph (A), the Secretary shall submit a notice of the use of that authority to—*

*“(i) the Committee on Appropriations of the House of Representatives;*



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“(ii) the Committee on Appropriations of the Senate;

“(iii) the Committee on Agriculture of the House of Representatives; and

“(iv) the Committee on Agriculture, Nutrition, and Forestry of the Senate.

“(C) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph \$5,000,000 for each of fiscal years 2019 through 2023.”.

**SEC. 5305. EQUITABLE RELIEF.**

The Consolidated Farm and Rural Development Act is amended by inserting after section 365 (7 U.S.C. 2008) the following:

**“SEC. 366. EQUITABLE RELIEF.**

“(a) IN GENERAL.—Subject to subsection (b), the Secretary may provide a form of relief described in subsection (c) to any farmer or rancher who—

“(1) received a direct farm ownership, operating, or emergency loan under this title; and

“(2) the Secretary determines is not in compliance with the requirements of this title with respect to the loan.

“(b) LIMITATION.—The Secretary may only provide relief to a farmer or rancher under subsection (a) if the Secretary determines that the farmer or rancher—

“(1) acted in good faith; and

“(2) relied on an action of, or the advice of, the Secretary (including any authorized representative of the Secretary) to the detriment of the farming or ranching operation of the farmer or rancher.

“(c) FORMS OF RELIEF.—The Secretary may provide to a farmer or rancher under subsection (a) any of the following forms of relief:

“(1) The farmer or rancher may retain loans or other benefits received in association with the loan with respect to which the farmer or rancher was determined to be noncompliant under subsection (a)(2).

“(2) The farmer or rancher may receive such other equitable relief as the Secretary determines to be appropriate.

“(d) CONDITION.—As a condition of receiving relief under this section, the Secretary may require the farmer or rancher to take actions designed to remedy the noncompliance.

“(e) ADMINISTRATIVE APPEAL; JUDICIAL REVIEW.—A determination or action of the Secretary under this section—

“(1) shall be final; and

“(2) shall not be subject to administrative appeal or judicial review under chapter 7 of title 5, United States Code.”.

**SEC. 5306. SOCIALLY DISADVANTAGED FARMERS AND RANCHERS; QUALIFIED BEGINNING FARMERS AND RANCHERS.**

The Consolidated Farm and Rural Development Act is amended by inserting after section 366 (as added by section 5305) the following:

**“SEC. 367. SOCIALLY DISADVANTAGED FARMERS AND RANCHERS; QUALIFIED BEGINNING FARMERS AND RANCHERS.**

“In the case of a loan guaranteed by the Secretary under subtitle A or B to a socially disadvantaged farmer or rancher (as defined in section 355(e)) or a qualified beginning farmer or rancher,



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*the Secretary may provide for a standard guarantee plan, which shall cover an amount equal to 95 percent of the outstanding principal of the loan.”.*

**SEC. 5307. EMERGENCY LOAN ELIGIBILITY.**

*Section 373(b)(2)(B) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008h(b)(2)(B)) is amended—*

*(1) by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively, and indenting appropriately;*

*(2) in the matter preceding subclause (I) (as so redesignated), by striking “The Secretary” and inserting the following:*

*“(i) IN GENERAL.—The Secretary”; and*

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

*“(ii) RESTRUCTURED LOANS.—For purposes of clause (i), a borrower who was restructured with a write-down or restructuring under section 353 shall not be considered to have received debt forgiveness on a loan made or guaranteed under this title.”.*

## **Subtitle D—Miscellaneous**

**SEC. 5401. TECHNICAL CORRECTIONS TO THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT.**

*(a)(1) Section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a)) is amended in the second sentence by striking “and limited liability companies” and inserting “limited liability companies, and such other legal entities”.*

*(2) The amendment made by this subsection shall take effect as if included in the enactment of section 5201(2)(C) of the Agricultural Act of 2014 (Public Law 113–79) in lieu of the amendment made by such section.*

*(b)(1) Section 331D(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981d(e)) is amended by inserting after “within 60 days after receipt of the notice required in this section” the following: “or, in extraordinary circumstances as determined by the applicable State director, after the 60-day period”.*

*(2) The amendment made by this subsection shall take effect as if included in the enactment of section 10 of the Agricultural Credit Improvement Act of 1992 (Public Law 102–554).*

*(c)(1) Section 333A(f)(1)(A) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1983a(f)(1)(A)) is amended by striking “114” and inserting “339”.*

*(2) The amendment made by this subsection shall take effect as if included in the enactment of section 14 of the Agricultural Credit Improvement Act of 1992 (Public Law 102–554).*

*(d) Section 339(d)(3) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1989(d)(3)) is amended by striking “preferred certified lender” and inserting “Preferred Certified Lender”.*

*(e)(1) Section 343(a)(11)(C) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)(11)(C)) is amended by striking “or joint operators” and inserting “joint operator, or owners”.*

*(2) The amendment made by this subsection shall take effect as of the effective date of section 5303(a)(2) of the Agricultural Act of 2014 (Public Law 113–79).*

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(f)(1) *Section 343(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(b)) is amended by striking “307(e)” and inserting “307(d)”.*

(2) *The amendment made by paragraph (1) shall take effect as of the date of enactment of the Agricultural Act of 2014 (Public Law 113–79).*

(g) *Section 346(a) of the Consolidated Farm and Rural Development Act (7 U.S.C.1994(a)) is amended by striking the last comma.*

**SEC. 5402. STATE AGRICULTURAL MEDIATION PROGRAMS.**

(a) *ISSUES COVERED BY STATE MEDIATION PROGRAMS.—Section 501(c) of the Agricultural Credit Act of 1987 (7 U.S.C. 5101(c)) is amended—*

(1) *in paragraph (1)—*

(A) *in subparagraph (B)—*

(i) *in the matter preceding clause (i), by striking “under the jurisdiction of the Department of Agriculture”;*

(ii) *in clause (ii), by inserting “and the national organic program established under the Organic Foods Production Act of 1990 (7 U.S.C. 6501 et seq.)” before the period at the end; and*

(iii) *by striking clause (vii) and inserting the following:*

“(vii) *Lease issues, including land leases and equipment leases.*

“(viii) *Family farm transition.*

“(ix) *Farmer-neighbor disputes.*

“(x) *Such other issues as the Secretary or the head of the department of agriculture of each participating State considers appropriate for better serving the agricultural community and persons eligible for mediation.”; and*

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

“(C) *MEDIATION SERVICES.—Funding provided for the mediation program of a qualifying State may also be used to provide credit counseling to persons described in paragraph (2)—*

(i) *prior to the initiation of any mediation involving the Department of Agriculture; or*

(ii) *unrelated to any ongoing dispute or mediation in which the Department of Agriculture is a party.”;*

(2) *in paragraph (2)(A)—*

(A) *in clause (ii), by striking “and” after the semicolon;*

(B) *in clause (iii), by striking the period at the end and inserting “; and”;* and

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

(iv) *any other persons involved in an issue for which mediation services are provided by a mediation program described in paragraph (1)(B).”; and*

(3) *in paragraph (3)(F), by striking “that persons” and inserting the following: “that—*

(i) *the Department of Agriculture receives adequate notification of those issues; and*

(ii) *persons”.*

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(b) *REPORT REQUIRED.*—Section 505 of the Agricultural Credit Act of 1987 (7 U.S.C. 5105) is amended to read as follows:

**“SEC. 505. REPORT.**

“Not later than 2 years after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary shall submit to Congress a report describing—

“(1) the effectiveness of the State mediation programs receiving matching grants under this subtitle;

“(2) recommendations for improving the delivery of mediation services to producers;

“(3) the steps being taken to ensure that State mediation programs receive timely funding under this subtitle; and

“(4) the savings to the States as a result of having a mediation program.”.

(c) *AUTHORIZATION OF APPROPRIATIONS.*—Section 506 of the Agricultural Credit Act of 1987 (7 U.S.C. 5106) is amended by striking “2018” and inserting “2023”.

**SEC. 5403. COMPENSATION OF BANK DIRECTORS.**

Section 4.21 of the Farm Credit Act of 1971 (12 U.S.C. 2209) is repealed.

**SEC. 5404. SHARING OF PRIVILEGED AND CONFIDENTIAL INFORMATION.**

Section 5.19 of the Farm Credit Act of 1971 (12 U.S.C. 2254) is amended by adding at the end the following:

“(e) *SHARING OF PRIVILEGED AND CONFIDENTIAL INFORMATION.*—A System institution shall not be considered to have waived the confidentiality of a privileged communication with an attorney or an accountant if the System institution provides the content of the communication to the Farm Credit Administration pursuant to the supervisory or regulatory authorities of the Farm Credit Administration.”.

**SEC. 5405. FACILITY HEADQUARTERS.**

Section 5.16 of the Farm Credit Act of 1971 (12 U.S.C. 2251) is amended by striking all that precedes “to the rental of quarters” and inserting the following:

**“SEC. 5.16. QUARTERS AND FACILITIES FOR THE FARM CREDIT ADMINISTRATION.**

“(a) The Farm Credit Administration shall maintain its principal office within the Washington D.C.-Maryland-Virginia standard metropolitan statistical area, and such other offices within the United States as in its judgment are necessary.

“(b) As an alternate”.

**SEC. 5406. REMOVAL AND PROHIBITION AUTHORITY; INDUSTRY-WIDE PROHIBITION.**

Part C of title V of the Farm Credit Act of 1971 is amended by inserting after section 5.29 (12 U.S.C. 2265) the following:

**“SEC. 5.29A. REMOVAL AND PROHIBITION AUTHORITY; INDUSTRY-WIDE PROHIBITION.**

“(a) *DEFINITION OF PERSON.*—In this section, the term ‘person’ means—

“(1) an individual; and

“(2) in the case of a specific determination by the Farm Credit Administration, a legal entity.

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“(b) *INDUSTRY-WIDE PROHIBITION.*—*Except as provided in subsection (c), any person who, pursuant to an order issued under section 5.28 or 5.29, has been removed or suspended from office at a System institution or prohibited from participating in the conduct of the affairs of a System institution shall not, during the period of effectiveness of the order, continue or commence to hold any office in, or participate in any manner in the conduct of the affairs of—*

“(1) *any insured depository institution subject to section 8(e)(7)(A)(i) of the Federal Deposit Insurance Act (12 U.S.C. 1818(e)(7)(A)(i));*

“(2) *any institution subject to section 8(e)(7)(A)(ii) of the Federal Deposit Insurance Act (12 U.S.C. 1818(e)(7)(A)(ii));*

“(3) *any insured credit union under the Federal Credit Union Act (12 U.S.C. 1751 et seq.);*

“(4) *any Federal home loan bank;*

“(5) *any institution chartered under this Act;*

“(6) *any appropriate Federal financial institutions regulatory agency (as defined in section 8(e)(7)(D) of the Federal Deposit Insurance Act (12 U.S.C. 1818(e)(7)(D)));*

“(7) *the Federal Housing Finance Agency; or*

“(8) *the Farm Credit Administration.*

“(c) *EXCEPTION FOR INSTITUTION-AFFILIATED PARTY THAT RECEIVES WRITTEN CONSENT.*—

“(1) *IN GENERAL.*—

“(A) *AFFILIATED PARTIES.*—*If, on or after the date on which an order described in subsection (b) is issued that removes or suspends an institution-affiliated party from office at a System institution or prohibits an institution-affiliated party from participating in the conduct of the affairs of a System institution, that party receives written consent described in subparagraph (B), subsection (b) shall not apply to that party—*

“(i) *to the extent provided in the written consent received; and*

“(ii) *with respect to the institution described in each written consent.*

“(B) *WRITTEN CONSENT DESCRIBED.*—*The written consent referred to in subparagraph (A) is written consent received from—*

“(i) *the Farm Credit Administration; and*

“(ii) *each appropriate Federal financial institutions regulatory agency (as defined in section 8(e)(7)(D) of the Federal Deposit Insurance Act (12 U.S.C. 1818(e)(7)(D))) of the applicable institution described in any of paragraphs (1), (2), (3), or (4) of subsection (b) with respect to which the party proposes to be become an affiliated party.*

“(2) *DISCLOSURE.*—*Any agency described in clause (i) or (ii) of paragraph (1)(B) that provides a written consent under that paragraph shall—*

“(A) *report the action to the Farm Credit Administration; and*

“(B) *publicly disclose the action.*

“(3) *CONSULTATION BETWEEN AGENCIES.*—*The agencies described in clauses (i) and (ii) of paragraph (1)(B) shall consult*

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*with each other before providing any written consent under that paragraph.*

*“(d) VIOLATIONS.—A violation of subsection (b) by any person who is subject to an order described in that subsection shall be treated as violation of that order.”*

**SEC. 5407. JURISDICTION OVER INSTITUTION-AFFILIATED PARTIES.**

*Part C of title V of the Farm Credit Act of 1971 is amended by inserting after section 5.31 (12 U.S.C. 2267) the following:*

**“SEC. 5.31A. JURISDICTION OVER INSTITUTION-AFFILIATED PARTIES.**

*“(a) IN GENERAL.—For purposes of sections 5.25, 5.26, and 5.32, the jurisdiction of the Farm Credit Administration over parties, and the authority of the Farm Credit Administration to initiate actions, shall include enforcement authority over institution-affiliated parties.*

*“(b) EFFECT OF SEPARATION ON JURISDICTION AND AUTHORITY.—Subject to subsection (c), the resignation, termination of employment or participation, or separation of an institution-affiliated party (including a separation caused by the merger, consolidation, conservatorship, or receivership of a Farm Credit System institution) shall not affect the jurisdiction and authority of the Farm Credit Administration to issue any notice or order and proceed under this part against that party.*

*“(c) LIMITATION.—To proceed against a party under subsection (b), the notice or order described in that subsection shall be served not later than 6 years after the date on which the party ceased to be an institution-affiliated party with respect to the applicable Farm Credit System institution.*

*“(d) APPLICABILITY.—The date on which a party ceases to be an institution-affiliated party described in subsection (c) may occur before, on, or after the date of enactment of this section.”*

**SEC. 5408. DEFINITION OF INSTITUTION-AFFILIATED PARTY.**

*Section 5.35 of the Farm Credit Act of 1971 (12 U.S.C. 2271) is amended—*

- (1) in paragraph (3), by striking “and” at the end;*
- (2) by redesignating paragraph (4) as paragraph (5); and*
- (3) by inserting after paragraph (3) the following:*

*“(4) the term ‘institution-affiliated party’ means—*

*“(A) a director, officer, employee, shareholder, or agent of a System institution;*

*“(B) an independent contractor (including an attorney, appraiser, or accountant) who knowingly or recklessly participates in—*

*“(i) a violation of law (including regulations) that is associated with the operations and activities of 1 or more System institutions;*

*“(ii) a breach of fiduciary duty; or*

*“(iii) an unsafe practice that causes or is likely to cause more than a minimum financial loss to, or a significant adverse effect on, a System institution; and*

*“(C) any other person, as determined by the Farm Credit Administration (by regulation or on a case-by-case basis) who participates in the conduct of the affairs of a System institution; and”*



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**SEC. 5409. PROHIBITION ON USE OF FUNDS.**

Section 5.65 of the Farm Credit Act of 1971 (12 U.S.C. 2277a-14) is amended by adding at the end the following:

“(e) **PROHIBITION ON USES OF FUNDS RELATED TO FEDERAL AGRICULTURAL MORTGAGE CORPORATION.**—No funds from administrative accounts or from the Farm Credit System Insurance Fund may be used by the Corporation to provide assistance to the Federal Agricultural Mortgage Corporation or to support any activities related to the Federal Agricultural Mortgage Corporation.”.

**SEC. 5410. EXPANSION OF ACREAGE EXCEPTION TO LOAN AMOUNT LIMITATION.**

(a) **IN GENERAL.**—Section 8.8(c)(2) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa-8(c)(2)) is amended by striking “1,000” and inserting “2,000”.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall take effect 1 year after the date a report submitted in accordance with section 5414 of this Act indicates that it is feasible to increase the acreage limitation in section 8.8(c)(2) of the Farm Credit Act of 1971 to 2,000 acres.

**SEC. 5411. REPEAL OF OBSOLETE PROVISIONS; TECHNICAL CORRECTIONS.**

(1) Section 1.1(c) of the Farm Credit Act of 1971 (12 U.S.C. 2001(c)) is amended in the first sentence by striking “including any costs of defeasance under section 4.8(b),”.

(2) Section 1.2 of the Farm Credit Act of 1971 (12 U.S.C. 2002) is amended by striking subsection (a) and inserting the following:

“(a) **COMPOSITION.**—The Farm Credit System shall include the Farm Credit Banks, the bank for cooperatives, Agricultural Credit Banks, the Federal Land Bank Associations, the Federal Land Credit Associations, the Production Credit Associations, the agricultural credit associations, the Federal Farm Credit Banks Funding Corporation, the Federal Agricultural Mortgage Corporation, service corporations established pursuant to section 4.25, and such other institutions as may be made a part of the Farm Credit System, all of which shall be chartered by and subject to regulation by the Farm Credit Administration.”.

(3) Section 2.4 of the Farm Credit Act of 1971 (12 U.S.C. 2075) is amended by striking subsection (d).

(4) Section 3.0(a) of the Farm Credit Act of 1971 (12 U.S.C. 2121(a)) is amended—

(A) in the third sentence, by striking “and a Central Bank for Cooperatives”; and

(B) by striking the fifth sentence.

(5) Section 3.2 of the Farm Credit Act of 1971 (12 U.S.C. 2123) is amended—

(A) in subsection (a)—

(i) in paragraph (1), by striking “not merged into the United Bank for Cooperatives or the National Bank for Cooperatives”; and

(ii) in paragraph (2)(A), in the matter preceding clause (i), by striking “(other than the National Bank for Cooperatives)”;

(B) by striking subsection (b);

(C) in subsection (a)—



- (i) by striking “(a)(1) Each bank” and inserting the following:
- “(a) *IN GENERAL.*—Each bank”; and
- (ii) by striking “(2)(A) If approved” and inserting the following:
- “(b) *NOMINATION AND ELECTION.*—
- “(1) *IN GENERAL.*—If approved”;
- (D) in subsection (b)(1) (as so designated)—
- (i) in subparagraph (B), by striking “(B) The total” and inserting the following:
- “(2) *NUMBER OF VOTES.*—The total”; and
- (ii) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively, and indenting appropriately; and
- (E) in paragraph (2) (as so designated), by striking “paragraph” and inserting “subsection”.
- (6) Section 3.5 of the Farm Credit Act of 1971 (12 U.S.C. 2126) is amended in the third sentence by striking “district”.
- (7) Section 3.7(a) of the Farm Credit Act of 1971 (12 U.S.C. 2128(a)) is amended by striking the second sentence.
- (8) Section 3.8(b)(1)(A) of the Farm Credit Act of 1971 (12 U.S.C. 2129(b)(1)(A)) is amended by inserting “(or any successor agency)” after “Rural Electrification Administration”.
- (9) Section 3.9(a) of the Farm Credit Act of 1971 (12 U.S.C. 2130(a)) is amended by striking the third sentence.
- (10) Section 3.10 of the Farm Credit Act of 1971 (12 U.S.C. 2131) is amended—
- (A) in subsection (c), by striking the second sentence; and
- (B) in subsection (d)—
- (i) by striking “district” each place it appears; and
- (ii) by inserting “for cooperatives (or any successor bank)” before “on account”.
- (11) Section 3.11 of the Farm Credit Act of 1971 (12 U.S.C. 2132) is amended—
- (A) in subsection (a), in the first sentence, by striking “subsections (b) and (c) of this section” and inserting “subsection (b)”;
- (B) in subsection (b)—
- (i) in the first sentence, by striking “district”; and
- (ii) in the second sentence, by striking “Except as provided in subsection (c) below, all” and inserting “All”;
- (C) by striking subsection (c); and
- (D) by redesignating subsections (d) through (f) as subsections (c) through (e), respectively.
- (12) Part B of title III of the Farm Credit Act of 1971 (12 U.S.C. 2141 et seq.) is amended in the part heading by striking “UNITED AND”.
- (13) Section 3.20 of the Farm Credit Act of 1971 (12 U.S.C. 2141) is amended—
- (A) in subsection (a), by striking “or the United Bank for Cooperatives, as the case may be”; and
- (B) in subsection (b), by striking “the district banks for cooperatives and the Central Bank for Cooperatives” and

inserting “the constituent banks described in section 413(b) of the Agricultural Credit Act of 1987 (12 U.S.C. 2121 note; Public Law 100–233)”.

(14) Section 3.21 of the Farm Credit Act of 1971 (12 U.S.C. 2142) is repealed.

(15) Section 3.28 of the Farm Credit Act of 1971 (12 U.S.C. 2149) is amended by striking “a district bank for cooperatives and the Central Bank for Cooperatives” and inserting “the constituent banks described in section 413(b) of the Agricultural Credit Act of 1987 (12 U.S.C. 2121 note; Public Law 100–233)”.

(16) Section 3.29 of the Farm Credit Act of 1971 (12 U.S.C. 2149a) is repealed.

(17) Section 4.0 of the Farm Credit Act of 1971 (12 U.S.C. 2151) is repealed.

(18) Section 4.8 of the Farm Credit Act of 1971 (12 U.S.C. 2159) is amended—

(A) by striking the section designation and heading and all that follows through “Each bank” in subsection (a) and inserting the following:

**“SEC. 4.8. PURCHASE AND SALE OF OBLIGATIONS.**

“Each bank”; and

(B) by striking subsection (b).

(19) Section 4.9 of the Farm Credit Act of 1971 (12 U.S.C. 2160) is amended—

(A) in subsection (d)—

(i) by striking paragraph (2) and inserting the following:

“(3) REPRESENTATION OF BOARD.—The Farm Credit System Insurance Corporation shall not have representation on the board of directors of the Corporation.”;

(ii) in the undesignated matter following paragraph (1)(D), by striking “In selecting” and inserting the following:

“(2) CONSIDERATIONS.—In selecting”; and

(iii) in paragraph (2) (as so designated), by inserting “of paragraph (1)” after “(A) and (B)”;

(B) by striking subsection (e); and

(C) by redesignating subsection (f) as subsection (e).

(20) Section 4.9A(c) of the Farm Credit Act of 1971 (12 U.S.C. 2162(c)) is amended—

(A) by striking “institution, and—” in the matter preceding paragraph (1) and all that follows through the period at the end of paragraph (2) and inserting “institution.”;

(B) by striking “If an institution” and inserting the following:

“(1) IN GENERAL.—If an institution”;

(C) in paragraph (1) (as so designated), by striking “the receiver of the institution” and inserting “the Farm Credit System Insurance Corporation, acting as receiver.”; and

(D) by adding at the end the following:

“(2) FUNDING.—The Farm Credit System Insurance Corporation shall use such funds from the Farm Credit Insurance Fund as are sufficient to carry out this section.”.

(21) Section 4.12A(a) of the Farm Credit Act of 1971 (12 U.S.C. 2184(a)) is amended by striking paragraph (1) and inserting the following:

“(1) *IN GENERAL.*—A Farm Credit System bank or association shall provide to a stockholder of the bank or association a current list of stockholders of the bank or association not later than 7 calendar days after the date on which the bank or association receives a written request for the stockholder list from the stockholder.”.

(22) Section 4.14A of the Farm Credit Act of 1971 (12 U.S.C. 2202a) is amended—

(A) in subsection (a)—

(i) in the matter preceding paragraph (1), by inserting “and section 4.36” before the colon at the end; and

(ii) in paragraph (5)(B)(ii)(I), by striking “4.14C.”;

(B) by striking subsection (h);

(C) by redesignating subsections (i) through (l) as subsections (h) through (k), respectively; and

(D) in subsection (k) (as so redesignated), by striking “production credit”.

(23) Section 4.14C of the Farm Credit Act of 1971 (12 U.S.C. 2202c) is repealed.

(24) Section 4.17 of the Farm Credit Act of 1971 (12 U.S.C. 2205) is amended in the third sentence by striking “Federal intermediate credit banks and”.

(25) Section 4.19(a) of the Farm Credit Act of 1971 (12 U.S.C. 2207(a)) is amended—

(A) in the first sentence—

(i) by striking “district”; and

(ii) by striking “Federal land bank association and production credit”; and

(B) in the second sentence, by striking “units” and inserting “institutions”.

(26) Section 4.38 of the Farm Credit Act of 1971 (12 U.S.C. 2219c) is amended by striking “The Assistance Board established under section 6.0 and all” and inserting “All”.

(27) Section 4.39 of the Farm Credit Act of 1971 (12 U.S.C. 2219d) is amended by striking “8.0(7)” and inserting “8.0”.

(28) Section 5.16 of the Farm Credit Act of 1971 (12 U.S.C. 2251) is amended in the undesignated matter following paragraph (5) of subsection (b) (as designated by section 5405)—

(A) in the fifth sentence, by striking “In actions undertaken by the banks pursuant to the foregoing provisions of this section” and inserting the following:

“(5) *AGENT FOR BANKS.*—In actions undertaken by the banks pursuant to this section”;

(B) in the fourth sentence, by striking “The plans” and inserting the following:

“(4) *APPROVAL OF BOARD.*—The plans”;

(C) in the third sentence, by striking “The powers” and inserting the following:

“(3) *POWERS OF BANKS.*—The powers”;

(D) in the second sentence, by striking “Such advances” and inserting the following:

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“(2) *ADVANCES.*—*The advances of funds described in paragraph (1)*”; and

(E) *in the first sentence, by striking “The Board” and inserting the following:*

“(c) *FINANCING.*—

“(1) *IN GENERAL.*—*The Board*”.

(29) *Section 5.17(a)(2) of the Farm Credit Act of 1971 (12 U.S.C. 2252(a)(2)) is amended by striking the second and third sentences.*

(30) *Section 5.18 of the Farm Credit Act of 1971 (12 U.S.C. 2253) is repealed.*

(31) *Section 5.19 of the Farm Credit Act of 1971 (12 U.S.C. 2254) is amended—*

(A) *in subsection (a)—*

(i) *in the first sentence, by striking “Except for Federal land bank associations, each” and inserting “Each”; and*

(ii) *by striking the second sentence; and*

(B) *in subsection (b)—*

(i) *by striking “(b)(1) Each” and inserting “(b) Each”;*

(ii) *in the matter preceding paragraph (2) (as so designated)—*

(I) *in the second sentence, by striking “, except with respect to any actions taken by any banks of the System under section 4.8(b),”; and*

(II) *by striking the third sentence; and*

(iii) *by striking paragraphs (2) and (3).*

(32) *Section 5.31 of the Farm Credit Act of 1971 (12 U.S.C. 2267) is amended in the second sentence by striking “4.14A(i)” and inserting “4.14A(h)”.*

(33) *Section 5.32(h) of the Farm Credit Act of 1971 (12 U.S.C. 2268(h)) is amended by striking “4.14A(i)” and inserting “4.14A(h)”.*

(34) *Section 5.35 of the Farm Credit Act of 1971 (12 U.S.C. 2271) is amended in paragraph (5) (as redesignated by section 5408(2))—*

(A) *in subparagraph (A), by adding “and” at the end;*

(B) *by striking subparagraph (B);*

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

(D) *in subparagraph (B) (as so redesignated)—*

(i) *by striking “after December 31, 1992,”; and*

(ii) *by striking “by the Farm Credit System Assistance Board under section 6.6 or”.*

(35) *Section 5.38 of the Farm Credit Act of 1971 (12 U.S.C. 2274) is amended by striking “a farm” and all that follows through “land bank” and inserting “a Farm Credit Bank board, officer, or employee shall not remove any director or officer of any”.*

(36) *Section 5.44 of the Farm Credit Act of 1971 (12 U.S.C. 2275) is repealed.*

(37) *Section 5.58(2) of the Farm Credit Act of 1971 (12 U.S.C. 2277a-7(2)) is amended by striking the second sentence.*

(38) Section 5.60 of the Farm Credit Act of 1971 (12 U.S.C. 2277a-9) is amended—

(A) in subsection (b), by striking the subsection designation and heading and all that follows through “The Corporation” in paragraph (2) and inserting the following: “(b) AMOUNTS IN FUND.—The Corporation”; and

(B) in subsection (c)(2), by striking “Insurance Fund to—” in the matter preceding subparagraph (A) and all that follows through “ensure” in subparagraph (B) and inserting “Insurance Fund to ensure”.

(39) Title VI of the Farm Credit Act of 1971 (12 U.S.C. 2278a et seq.) is repealed.

(40) Section 7.9 of the Farm Credit Act of 1971 (12 U.S.C. 2279c-2) is amended by striking subsection (c).

(41) Section 7.10(a) of the Farm Credit Act of 1971 (12 U.S.C. 2279d(a)) is amended by striking paragraph (4) and inserting the following:

“(4) the institution pays to the Farm Credit Insurance Fund the amount by which the total capital of the institution exceeds 6 percent of the assets;”.

(42) Section 8.0 of the Farm Credit Act of 1971 (12 U.S.C. 2279aa) is amended—

(A) in paragraph (2), by striking “means—” in the matter preceding subparagraph (A) and all that follows through the period at the end of the undesignated matter following subparagraph (B) and inserting “means the board of directors established under section 8.2.”;

(B) by striking paragraphs (6) and (8);

(C) by redesignating paragraphs (7), (9), and (10) as paragraphs (6), (7), and (8), respectively; and

(D) in subparagraph (B)(i) of paragraph (7) (as so redesignated), by striking “(b) through (d)” and inserting “(b) and (c)”.

(43) Section 8.2 of the Farm Credit Act of 1971 (12 U.S.C. 2279aa-2) is amended—

(A) by striking subsection (a);

(B) in subsection (b), by striking the subsection designation and heading and all that follows through the period at the end of paragraph (1) and inserting the following:

“(a) IN GENERAL.—

“(1) ESTABLISHMENT.—The Corporation shall be under the management of the board of directors.”;

(C) in subsection (a) (as so designated)—

(i) by striking “permanent board” each place it appears and inserting “Board”;

(ii) by striking paragraph (3);

(iii) by redesignating paragraphs (4) through (10) as paragraphs (3) through (9), respectively; and

(iv) in paragraph (3)(A) (as so redesignated), by striking “(6)” and inserting “(5)”;

(D) by redesignating subsection (c) as subsection (b).

(44) Section 8.4(a)(1) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa-4(a)(1)) is amended—

(A) in the sixth sentence—



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(i) by striking “Class B” and inserting the following:

“(iii) CLASS B STOCK.—Class B”; and

(ii) by striking “8.2(b)(2)(B)” and inserting “8.2(a)(2)(B)”;

(B) in the fifth sentence—

(i) by striking “Class A” and inserting the following:

“(ii) CLASS A STOCK.—Class A”; and

(ii) by striking “8.2(b)(2)(A)” and inserting “8.2(a)(2)(A)”;

(C) in the fourth sentence, by striking “The stock” and inserting the following:

“(D) CLASSES OF STOCK.—

“(i) IN GENERAL.—The stock”;

(D) by striking the third sentence and inserting the following:

“(C) OFFERS.—

“(i) IN GENERAL.—The Board shall offer the voting common stock to banks, other financial institutions, insurance companies, and System institutions under such terms and conditions as the Board may adopt.

“(ii) REQUIREMENTS.—The voting common stock shall be fairly and broadly offered to ensure that—

“(I) no institution or institutions acquire a disproportionate share of the total quantity of the voting common stock outstanding of a class of stock; and

“(II) capital contributions and issuances of voting common stock for the contributions are fairly distributed between entities eligible to hold class A stock and class B stock.”;

(E) in the second sentence, by striking “Each share” and inserting the following:

“(B) NUMBER OF VOTES.—Each share”; and

(F) in the first sentence, by striking “The Corporation” and inserting the following:

“(A) IN GENERAL.—The Corporation”.

(45) Section 8.6 of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–6) is amended—

(A) by striking subsection (d);

(B) by redesignating subsection (e) as subsection (d);

and

(C) in paragraph (2) of subsection (d) (as so redesignated), by striking “8.0(9)” and inserting “8.0”.

(46) Section 8.9 of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–9) is amended by striking “4.14C,” each place it appears.

(47) Section 8.11(e) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–11(e)) is amended by striking “8.0(7)” and inserting “8.0”.

(48) Section 8.32(a) of the Farm Credit Act of 1971 (12 U.S.C. 2279bb–1(a)) is amended—

(A) in the first sentence of the matter preceding paragraph (1), by striking “Not sooner than the expiration of the



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*3-year period beginning on the date of enactment of the Farm Credit System Reform Act of 1996, the” and inserting “The”; and*

*(B) in paragraph (1)(B), by striking “8.0(9)(C)” and inserting “8.0(7)(C)”.*

*(49) Section 8.33(b)(2)(A) of the Farm Credit Act of 1971 (12 U.S.C. 2279bb–2(b)(2)(A)) is amended by striking “8.6(e)” and inserting “8.6(d)”.*

*(50) Section 8.35 of the Farm Credit Act of 1971 (12 U.S.C. 2279bb–4) is amended by striking subsection (e).*

*(51) Section 8.38 of the Farm Credit Act of 1971 (12 U.S.C. 2279bb–7) is repealed.*

*(52) Section 4 of the Agricultural Marketing Act (12 U.S.C. 1141b) is repealed.*

*(53) Section 5 of the Agricultural Marketing Act (12 U.S.C. 1141c) is repealed.*

*(54) Section 6 of the Agricultural Marketing Act (12 U.S.C. 1141d) is repealed.*

*(55) Section 7 of the Agricultural Marketing Act (12 U.S.C. 1141e) is repealed.*

*(56) Section 8 of the Agricultural Marketing Act (12 U.S.C. 1141f) is repealed.*

*(57) Section 14 of the Agricultural Marketing Act (12 U.S.C. 1141i) is repealed.*

*(58) The Act of June 22, 1939 (53 Stat. 853, chapter 239; 12 U.S.C. 1141d–1), is repealed.*

*(59) Section 201(e) of the Emergency Relief and Construction Act of 1932 (12 U.S.C. 1148) is repealed.*

*(60) Section 2 of the Act of July 14, 1953 (67 Stat. 150, chapter 192; 12 U.S.C. 1148a–4), is repealed.*

*(61) Section 32 of the Farm Credit Act of 1937 (12 U.S.C. 1148b) is repealed.*

*(62) Section 33 of the Farm Credit Act of 1937 (12 U.S.C. 1148c) is repealed.*

*(63) Section 34 of the Farm Credit Act of 1937 (12 U.S.C. 1148d) is repealed.*

*(64) The Joint Resolution of March 3, 1932 (47 Stat. 60, chapter 70; 12 U.S.C. 1401 et seq.), is repealed.*

**SEC. 5412. CORPORATION AS CONSERVATOR OR RECEIVER; CERTAIN OTHER POWERS.**

*Part E of title V of the Farm Credit Act of 1971 is amended by inserting after section 5.61B (12 U.S.C. 2277a–10b) the following:*

**“SEC. 5.61C. CORPORATION AS CONSERVATOR OR RECEIVER; CERTAIN OTHER POWERS.**

*“(a) DEFINITION OF INSTITUTION.—In this section, the term ‘institution’ includes any System institution for which the Corporation has been appointed as conservator or receiver.*

*“(b) CERTAIN POWERS AND DUTIES OF CORPORATION AS CONSERVATOR OR RECEIVER.—In addition to the powers inherent in the express grant of corporate authority under section 5.58(9), and other powers exercised by the Corporation under this part, the Corporation shall have the following express powers to act as a conservator or receiver:*

*“(1) RULEMAKING AUTHORITY OF CORPORATION.—The Corporation may prescribe such regulations as the Corporation de-*

*termines to be appropriate regarding the conduct of conservatorships or receiverships.*

“(2) GENERAL POWERS.—

“(A) SUCCESSOR TO SYSTEM INSTITUTION.—*The Corporation shall, as conservator or receiver, and by operation of law, succeed to—*

“(i) *all rights, titles, powers, and privileges of the System institution, and of any stockholder, member, officer, or director of such System institution with respect to the System institution and the assets of the System institution; and*

“(ii) *title to the books, records, and assets of any previous conservator or other legal custodian of such System institution.*

“(B) OPERATE THE SYSTEM INSTITUTION.—*The Corporation may, as conservator or receiver—*

“(i) *take over the assets of and operate the System institution with all the powers of the stockholders or members, the directors, and the officers of the System institution and conduct all business of the System institution;*

“(ii) *collect all obligations and money due the System institution;*

“(iii) *perform all functions of the System institution in the name of the System institution which are consistent with the appointment as conservator or receiver;*

“(iv) *preserve and conserve the assets and property of such System institution; and*

“(v) *provide by contract for assistance in fulfilling any function, activity, action, or duty of the Corporation as conservator or receiver.*

“(C) FUNCTIONS OF SYSTEM INSTITUTION’S OFFICERS, DIRECTORS, MEMBERS, AND STOCKHOLDERS.—*The Corporation may, by regulation or order, provide for the exercise of any function by any stockholder, member, director, or officer of any System institution for which the Corporation has been appointed conservator or receiver.*

“(D) POWERS AS CONSERVATOR.—*Subject to any Farm Credit Administration approvals required under this Act, the Corporation may, as conservator, take such action as may be—*

“(i) *necessary to put the System institution in a sound and solvent condition; and*

“(ii) *appropriate to carry on the business of the System institution and preserve and conserve the assets and property of the System institution.*

“(E) ADDITIONAL POWERS AS RECEIVER.—*The Corporation may, as receiver, liquidate the System institution and proceed to realize upon the assets of the System institution, in such manner as the Corporation determines to be appropriate.*

“(F) ORGANIZATION OF NEW SYSTEM BANK.—*The Corporation may, as receiver with respect to any System bank, organize a bridge System bank under subsection (h).*

*“(G) MERGER; TRANSFER OF ASSETS AND LIABILITIES.—*

*“(i) IN GENERAL.—Subject to clause (ii), the Corporation may, as conservator or receiver—*

*“(I) merge the System institution with another System institution; and*

*“(II) transfer or sell any asset or liability of the System institution in default without any approval, assignment, or consent with respect to such transfer.*

*“(ii) APPROVAL.—No merger or transfer under clause (i) may be made to another System institution (other than a bridge System bank under subsection (h)) without the approval of the Farm Credit Administration.*

*“(H) PAYMENT OF VALID OBLIGATIONS.—The Corporation, as conservator or receiver, shall, to the extent that proceeds are realized from the performance of contracts or the sale of the assets of a System institution, pay all valid obligations of the System institution in accordance with the prescriptions and limitations of this section.*

*“(I) INCIDENTAL POWERS.—*

*“(i) IN GENERAL.—The Corporation may, as conservator or receiver—*

*“(I) exercise all powers and authorities specifically granted to conservators or receivers, respectively, under this section and such incidental powers as shall be necessary to carry out such powers; and*

*“(II) take any action authorized by this section, which the Corporation determines is in the best interests of—*

*“(aa) the System institution in receivership or conservatorship;*

*“(bb) System institutions;*

*“(cc) System institution stockholders or investors; or*

*“(dd) the Corporation.*

*“(ii) TERMINATION OF RIGHTS AND CLAIMS.—*

*“(I) IN GENERAL.—Except as provided in subclause (II), notwithstanding any other provision of law, the appointment of the Corporation as receiver for a System institution and the succession of the Corporation, by operation of law, to the rights, titles, powers, and privileges described in subparagraph (A) shall terminate all rights and claims that the stockholders and creditors of the System institution may have, arising as a result of their status as stockholders or creditors, against the assets or charter of the System institution or the Corporation.*

*“(II) EXCEPTIONS.—Subclause (I) shall not terminate the right to payment, resolution, or other satisfaction of the claims of stockholders and creditors described in that subclause, as permitted*

*under paragraphs (10) and (11) and subsection (d).*

*“(iii) CHARTER.—Notwithstanding any other provision of law, for purposes of this section, the charter of a System institution shall not be considered to be an asset of the System institution.*

*“(J) UTILIZATION OF PRIVATE SECTOR.—In carrying out its responsibilities in the management and disposition of assets from System institutions, as conservator, receiver, or in its corporate capacity, the Corporation may utilize the services of private persons, including real estate and loan portfolio asset management, property management, auction marketing, legal, and brokerage services, if the Corporation determines utilization of such services is practicable, efficient, and cost effective.*

*“(3) AUTHORITY OF RECEIVER TO DETERMINE CLAIMS.—*

*“(A) IN GENERAL.—The Corporation may, as receiver, determine claims in accordance with the requirements of this subsection and regulations prescribed under paragraph (4).*

*“(B) NOTICE REQUIREMENTS.—The receiver, in any case involving the liquidation or winding up of the affairs of a closed System institution, shall—*

*“(i) promptly publish a notice to the System institution’s creditors to present their claims, together with proof, to the receiver by a date specified in the notice which shall be not less than 90 days after the publication of such notice; and*

*“(ii) republish such notice approximately 1 month and 2 months, respectively, after the publication under clause (i).*

*“(C) MAILING REQUIRED.—The receiver shall mail a notice similar to the notice published under subparagraph (B)(i) at the time of such publication to any creditor shown on the System institution’s books—*

*“(i) at the creditor’s last address appearing in such books; or*

*“(ii) upon discovery of the name and address of a claimant not appearing on the System institution’s books within 30 days after the discovery of such name and address.*

*“(4) RULEMAKING AUTHORITY RELATING TO DETERMINATION OF CLAIMS.—The Corporation may prescribe regulations regarding the allowance or disallowance of claims by the receiver and providing for administrative determination of claims and review of such determination.*

*“(5) PROCEDURES FOR DETERMINATION OF CLAIMS.—*

*“(A) DETERMINATION PERIOD.—*

*“(i) IN GENERAL.—Before the end of the 180-day period beginning on the date any claim against a System institution is filed with the Corporation as receiver, the Corporation shall determine whether to allow or disallow the claim and shall notify the claimant of any determination with respect to such claim.*

“(ii) *EXTENSION OF TIME.*—The period described in clause (i) may be extended by a written agreement between the claimant and the Corporation.

“(iii) *MAILING OF NOTICE SUFFICIENT.*—The requirements of clause (i) shall be deemed to be satisfied if the notice of any determination with respect to any claim is mailed to the last address of the claimant which appears—

“(I) on the System institution’s books;

“(II) in the claim filed by the claimant; or

“(III) in documents submitted in proof of the claim.

“(iv) *CONTENTS OF NOTICE OF DISALLOWANCE.*—If any claim filed under clause (i) is disallowed, the notice to the claimant shall contain—

“(I) a statement of each reason for the disallowance; and

“(II) the procedures available for obtaining agency review of the determination to disallow the claim or judicial determination of the claim.

“(B) *ALLOWANCE OF PROVEN CLAIMS.*—The receiver shall allow any claim received on or before the date specified in the notice published under paragraph (3)(B)(i) by the receiver from any claimant which is proved to the satisfaction of the receiver.

“(C) *DISALLOWANCE OF CLAIMS FILED AFTER END OF FILING PERIOD.*—

“(i) *IN GENERAL.*—Except as provided in clause (ii), claims filed after the date specified in the notice published under paragraph (3)(B)(i) shall be disallowed and such disallowance shall be final.

“(ii) *CERTAIN EXCEPTIONS.*—Clause (i) shall not apply with respect to any claim filed by any claimant after the date specified in the notice published under paragraph (3)(B)(i) and such claim may be considered by the receiver if—

“(I) the claimant did not receive notice of the appointment of the receiver in time to file such claim before such date; and

“(II) such claim is filed in time to permit payment of such claim.

“(D) *AUTHORITY TO DISALLOW CLAIMS.*—

“(i) *IN GENERAL.*—The receiver may disallow any portion of any claim by a creditor or claim of security, preference, or priority which is not proved to the satisfaction of the receiver.

“(ii) *PAYMENTS TO LESS THAN FULLY SECURED CREDITORS.*—In the case of a claim of a creditor against a System institution which is secured by any property or other asset of such System institution, any receiver appointed for any System institution—

“(I) may treat the portion of such claim which exceeds an amount equal to the fair market value of such property or other asset as an unsecured claim against the System institution; and



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*“(II) may not make any payment with respect to such unsecured portion of the claim other than in connection with the disposition of all claims of unsecured creditors of the System institution.*

*“(iii) EXCEPTIONS.—No provision of this paragraph shall apply with respect to—*

*“(I) any extension of credit from any Federal Reserve bank or the United States Treasury to any System institution; or*

*“(II) any security interest in the assets of the System institution securing any such extension of credit.*

*“(E) NO JUDICIAL REVIEW OF DETERMINATION PURSUANT TO SUBPARAGRAPH (D).—No court may review the Corporation’s determination pursuant to subparagraph (D) to disallow a claim.*

*“(F) LEGAL EFFECT OF FILING.—*

*“(i) STATUTE OF LIMITATION TOLLED.—For purposes of any applicable statute of limitations, the filing of a claim with the receiver shall constitute a commencement of an action.*

*“(ii) NO PREJUDICE TO OTHER ACTIONS.—Subject to paragraph (12) and the determination of claims by a receiver, the filing of a claim with the receiver shall not prejudice any right of the claimant to continue any action which was filed before the appointment of the receiver.*

*“(6) PROVISION FOR JUDICIAL DETERMINATION OF CLAIMS.—*

*“(A) IN GENERAL.—Before the end of the 60-day period beginning on the earlier of—*

*“(i) the end of the period described in paragraph (5)(A)(i) with respect to any claim against a System institution for which the Corporation is receiver; or*

*“(ii) the date of any notice of disallowance of such claim pursuant to paragraph (5)(A)(i), the claimant may request administrative review of the claim in accordance with paragraph (7) or file suit on such claim (or continue an action commenced before the appointment of the receiver) in the district or territorial court of the United States for the district within which the System institution’s principal place of business is located or the United States District Court for the District of Columbia (and such court shall have jurisdiction to hear such claim).*

*“(B) STATUTE OF LIMITATIONS.—If any claimant fails to file suit on such claim (or continue an action commenced before the appointment of the receiver), before the end of the 60-day period described in subparagraph (A), the claim shall be deemed to be disallowed (other than any portion of such claim which was allowed by the receiver) as of the end of such period, such disallowance shall be final, and the claimant shall have no further rights or remedies with respect to such claim.*

*“(7) REVIEW OF CLAIMS; ADMINISTRATIVE HEARING.—If any claimant requests review under this paragraph in lieu of filing or continuing any action under paragraph (6) and the Corpora-*



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tion agrees to such request, the Corporation shall consider the claim after opportunity for a hearing on the record. The final determination of the Corporation with respect to such claim shall be subject to judicial review under chapter 7 of title 5, United States Code.

“(8) *EXPEDITED DETERMINATION OF CLAIMS.*—

“(A) *ESTABLISHMENT REQUIRED.*—The Corporation shall establish a procedure for expedited relief outside of the routine claims process established under paragraph (5) for claimants who—

“(i) allege the existence of legally valid and enforceable or perfected security interests in assets of any System institution for which the Corporation has been appointed receiver; and

“(ii) allege that irreparable injury will occur if the routine claims procedure is followed.

“(B) *DETERMINATION PERIOD.*—Before the end of the 90-day period beginning on the date any claim is filed in accordance with the procedures established pursuant to subparagraph (A), the Corporation shall—

“(i) determine—

“(I) whether to allow or disallow such claim;

or

“(II) whether such claim should be determined pursuant to the procedures established pursuant to paragraph (5); and

“(ii) notify the claimant of the determination, and if the claim is disallowed, provide a statement of each reason for the disallowance and the procedure for obtaining agency review or judicial determination.

“(C) *PERIOD FOR FILING OR RENEWING SUIT.*—Any claimant who files a request for expedited relief shall be permitted to file a suit, or to continue a suit filed before the appointment of the receiver, seeking a determination of the claimant’s rights with respect to such security interest after the earlier of—

“(i) the end of the 90-day period beginning on the date of the filing of a request for expedited relief; or

“(ii) the date the Corporation denies the claim.

“(D) *STATUTE OF LIMITATIONS.*—If an action described in subparagraph (C) is not filed, or the motion to renew a previously filed suit is not made, before the end of the 30-day period beginning on the date on which such action or motion may be filed in accordance with subparagraph (B), the claim shall be deemed to be disallowed as of the end of such period (other than any portion of such claim which was allowed by the receiver), such disallowance shall be final, and the claimant shall have no further rights or remedies with respect to such claim.

“(E) *LEGAL EFFECT OF FILING.*—

“(i) *STATUTE OF LIMITATION TOLLED.*—For purposes of any applicable statute of limitations, the filing of a claim with the receiver shall constitute a commencement of an action.

“(ii) *NO PREJUDICE TO OTHER ACTIONS.*—Subject to paragraph (12), the filing of a claim with the receiver shall not prejudice any right of the claimant to continue any action which was filed before the appointment of the receiver.

“(9) *AGREEMENT AS BASIS OF CLAIM.*—

“(A) *REQUIREMENTS.*—Except as provided in subparagraph (B), any agreement which does not meet the requirements set forth in section 5.61(d) shall not form the basis of, or substantially comprise, a claim against the receiver or the Corporation.

“(B) *EXCEPTION TO CONTEMPORANEOUS EXECUTION REQUIREMENT.*—Notwithstanding section 5.61(d), any agreement relating to an extension of credit between a Federal Reserve bank or the United States Treasury and any System institution which was executed before such extension of credit to such System institution shall be treated as having been executed contemporaneously with such extension of credit for purposes of subparagraph (A).

“(10) *PAYMENT OF CLAIMS.*—

“(A) *IN GENERAL.*—The receiver may, in the receiver’s discretion and to the extent funds are available from the assets of the System institution, pay creditor claims which are allowed by the receiver, approved by the Corporation pursuant to a final determination pursuant to paragraph (7) or (8), or determined by the final judgment of any court of competent jurisdiction in such manner and amounts as are authorized under this Act.

“(B) *LIQUIDATION PAYMENTS.*—The receiver may, in the receiver’s sole discretion, pay from the assets of the System institution portions of proved claims at any time, and no liability shall attach to the Corporation (in such Corporation’s corporate capacity or as receiver), by reason of any such payment, for failure to make payments to a claimant whose claim is not proved at the time of any such payment.

“(C) *RULEMAKING AUTHORITY OF CORPORATION.*—The Corporation may prescribe such rules, including definitions of terms, as it deems appropriate to establish a single uniform interest rate for or to make payments of post insolvency interest to creditors holding proven claims against the receivership estates of System institutions following satisfaction by the receiver of the principal amount of all creditor claims.

“(11) *PRIORITY OF EXPENSES AND CLAIMS.*—

“(A) *IN GENERAL.*—Amounts realized from the liquidation or other resolution of any System institution by any receiver appointed for such System institution shall be distributed to pay claims (other than secured claims to the extent of any such security) in the following order of priority:

“(i) Administrative expenses of the receiver.

“(ii) If authorized by the Corporation, wages, salaries, or commissions, including vacation, severance, and sick leave pay earned by an individual—

*“(I) in an amount that is not more than \$11,725 for each individual (as indexed for inflation, by regulation of the Corporation); and*

*“(II) that is earned 180 days or fewer before the date of appointment of the Corporation as receiver.*

*“(iii) In the case of the resolution of a System bank, all claims of holders of consolidated and System-wide bonds and all claims of the other System banks arising from the payments of the System banks pursuant to—*

*“(I) section 4.4 on consolidated and System-wide bonds issued under subsection (c) or (d) of section 4.2; or*

*“(II) an agreement, in writing and approved by the Farm Credit Administration, among the System banks to reallocate the payments.*

*“(iv) In the case of the resolution of a production credit association or other association making direct loans under section 7.6, all claims of a System bank based on the financing agreement between the association and the System bank—*

*“(I) including interest accrued before and after the appointment of the receiver; and*

*“(II) not including any setoff for stock or other equity of that System bank owned by the association, on that condition that, prior to making that setoff, that System bank shall obtain the approval of the Farm Credit Administration Board for the retirement of that stock or equity.*

*“(v) Any general or senior liability of the System institution (which is not a liability described in clause (vi) or (vii)).*

*“(vi) Any obligation subordinated to general creditors (which is not an obligation described in clause (vii)).*

*“(vii) Any obligation to stockholders or members arising as a result of their status as stockholders or members.*

*“(B) PAYMENT OF CLAIMS.—*

*“(i) IN GENERAL.—*

*“(I) PAYMENT.—All claims of each priority described in clauses (i) through (vii) of subparagraph (A) shall be paid in full, or provisions shall be made for that payment, prior to the payment of any claim of a lesser priority.*

*“(II) INSUFFICIENT FUNDS.—If there are insufficient funds to pay in full all claims in any priority described clauses (i) through (vii) of subparagraph (A), distribution on that priority of claims shall be made on a pro rata basis.*

*“(ii) DISTRIBUTION OF REMAINING ASSETS.—Following the payment of all claims in accordance with subparagraph (A), the receiver shall distribute the remainder of the assets of the System institution to the owners of stock, participation certificates, and other eq-*

*unities in accordance with the priorities for impairment under the bylaws of the System institution.*

*“(iii) ELIGIBLE BORROWER STOCK.—Notwithstanding subparagraph (C) or any other provision of this section, eligible borrower stock shall be retired in accordance with section 4.9A.*

*“(C) EFFECT OF STATE LAW.—*

*“(i) IN GENERAL.—The provisions of subparagraph (A) shall not supersede the law of any State except to the extent such law is inconsistent with the provisions of such subparagraph, and then only to the extent of the inconsistency.*

*“(ii) PROCEDURE FOR DETERMINATION OF INCONSISTENCY.—Upon the Corporation’s own motion or upon the request of any person with a claim described in subparagraph (A) or any State which is submitted to the Corporation in accordance with procedures which the Corporation shall prescribe, the Corporation shall determine whether any provision of the law of any State is inconsistent with any provision of subparagraph (A) and the extent of any such inconsistency.*

*“(iii) JUDICIAL REVIEW.—The final determination of the Corporation under clause (ii) shall be subject to judicial review under chapter 7 of title 5, United States Code.*

*“(D) ACCOUNTING REPORT.—Any distribution by the Corporation in connection with any claim described in subparagraph (A)(vii) shall be accompanied by the accounting report required under paragraph (15)(B).*

*“(12) SUSPENSION OF LEGAL ACTIONS.—*

*“(A) IN GENERAL.—After the appointment of a conservator or receiver for a System institution, the conservator or receiver may request a stay for a period not to exceed—*

*“(i) 45 days, in the case of any conservator; and*

*“(ii) 90 days, in the case of any receiver,*

*in any judicial action or proceeding to which such System institution is or becomes a party.*

*“(B) GRANT OF STAY BY ALL COURTS REQUIRED.—Upon receipt of a request by any conservator or receiver pursuant to subparagraph (A) for a stay of any judicial action or proceeding in any court with jurisdiction of such action or proceeding, the court shall grant such stay as to all parties.*

*“(13) ADDITIONAL RIGHTS AND DUTIES.—*

*“(A) PRIOR FINAL ADJUDICATION.—The Corporation shall abide by any final unappealable judgment of any court of competent jurisdiction which was rendered before the appointment of the Corporation as conservator or receiver.*

*“(B) RIGHTS AND REMEDIES OF CONSERVATOR OR RECEIVER.—In the event of any appealable judgment, the Corporation as conservator or receiver shall—*

*“(i) have all the rights and remedies available to the System institution (before the appointment of such conservator or receiver) and the Corporation in its cor-*

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porate capacity, including removal to Federal court and all appellate rights; and

“(ii) not be required to post any bond in order to pursue such remedies.

“(C) NO ATTACHMENT OR EXECUTION.—No attachment or execution may issue by any court on—

“(i) assets in the possession of the receiver; or

“(ii) the charter of a System institution for which the Corporation has been appointed receiver.

“(D) LIMITATION ON JUDICIAL REVIEW.—Except as otherwise provided in this subsection, no court shall have jurisdiction over—

“(i) any claim or action for payment from, or any action seeking a determination of rights with respect to, the assets of any System institution for which the Corporation has been appointed receiver, including assets which the Corporation may acquire from itself as such receiver; or

“(ii) any claim relating to any act or omission of such System institution or the Corporation as receiver.

“(E) DISPOSITION OF ASSETS.—In exercising any right, power, privilege, or authority as receiver in connection with any sale or disposition of assets of any System institution for which the Corporation is acting as receiver, the Corporation shall, to the maximum extent practicable, conduct its operations in a manner which—

“(i) maximizes the net present value return from the sale or disposition of such assets;

“(ii) minimizes the amount of any loss realized in the resolution of cases;

“(iii) ensures adequate competition and fair and consistent treatment of offerors;

“(iv) prohibits discrimination on the basis of race, sex, or ethnic groups in the solicitation and consideration of offers; and

“(v) mitigates the potential for serious adverse effects to the rest of the System.

“(14) STATUTE OF LIMITATIONS FOR ACTIONS BROUGHT BY CONSERVATOR OR RECEIVER.—

“(A) IN GENERAL.—Notwithstanding any provision of any contract, the applicable statute of limitations with regard to any action brought by the Corporation as conservator or receiver shall be—

“(i) in the case of any contract claim, the longer of—

“(I) the 6-year period beginning on the date the claim accrues; or

“(II) the period applicable under State law; and

“(ii) in the case of any tort claim, the longer of—

“(I) the 3-year period beginning on the date the claim accrues; or

“(II) the period applicable under State law.

“(B) DETERMINATION OF THE DATE ON WHICH A CLAIM ACCRUES.—For purposes of subparagraph (A), the date on



*which the statute of limitations begins to run on any claim described in such subparagraph shall be the later of—*

*“(i) the date of the appointment of the Corporation as conservator or receiver; or*

*“(ii) the date on which the cause of action accrues.*

*“(C) REVIVAL OF EXPIRED STATE CAUSES OF ACTION.—*

*“(i) IN GENERAL.—In the case of any tort claim described in clause (ii) for which the statute of limitation applicable under State law with respect to such claim has expired not more than 5 years before the appointment of the Corporation as conservator or receiver, the Corporation may bring an action as conservator or receiver on such claim without regard to the expiration of the statute of limitation applicable under State law.*

*“(ii) CLAIMS DESCRIBED.—A tort claim referred to in clause (i) is a claim arising from fraud, intentional misconduct resulting in unjust enrichment, or intentional misconduct resulting in substantial loss to the System institution.*

*“(15) ACCOUNTING AND RECORDKEEPING REQUIREMENTS.—*

*“(A) IN GENERAL.—The Corporation as conservator or receiver shall, consistent with the accounting and reporting practices and procedures established by the Corporation, maintain a full accounting of each conservatorship and receivership or other disposition of System institutions in default.*

*“(B) ANNUAL ACCOUNTING OR REPORT.—With respect to each conservatorship or receivership to which the Corporation was appointed, the Corporation shall make an annual accounting or report, as appropriate, available to the Farm Credit Administration Board.*

*“(C) AVAILABILITY OF REPORTS.—Any report prepared pursuant to subparagraph (B) shall be made available by the Corporation upon request to any stockholder of the System institution for which the Corporation was appointed conservator or receiver or any other member of the public.*

*“(D) RECORDKEEPING REQUIREMENT.—*

*“(i) IN GENERAL.—Except as provided in clause (ii), after the end of the 6-year period beginning on the date the Corporation is appointed as receiver of a System institution, the Corporation may destroy any records of such System institution which the Corporation, in the Corporation’s discretion, determines to be unnecessary unless directed not to do so by a court of competent jurisdiction or governmental agency, or prohibited by law.*

*“(ii) OLD RECORDS.—Notwithstanding clause (i), the Corporation may destroy records of a System institution which are at least 10 years old as of the date on which the Corporation is appointed as the receiver of such System institution in accordance with clause (i) at any time after such appointment is final, without regard to the 6-year period of limitation contained in clause (i).*

*“(16) FRAUDULENT TRANSFERS.—*



*“(A) IN GENERAL.—The Corporation, as conservator or receiver for any System institution, may avoid a transfer of any interest of a System institution-affiliated party, or any person who the Corporation determines is a debtor of the System institution, in property, or any obligation incurred by such party or person, that was made within 5 years of the date on which the Corporation was appointed conservator or receiver if such party or person voluntarily or involuntarily made such transfer or incurred such liability with the intent to hinder, delay, or defraud the System institution, the Farm Credit Administration, or the Corporation.”*

*“(B) RIGHT OF RECOVERY.—To the extent a transfer is avoided under subparagraph (A), the Corporation may recover, for the benefit of the System institution, the property transferred, or, if a court so orders, the value of such property (at the time of such transfer) from—*

*“(i) the initial transferee of such transfer or the System institution-affiliated party or person for whose benefit such transfer was made; or*

*“(ii) any immediate or mediate transferee of any such initial transferee.”*

*“(C) RIGHTS OF TRANSFEREE OR OBLIGEE.—The Corporation may not recover under subparagraph (B) from—*

*“(i) any transferee that takes for value, including satisfaction or securing of a present or antecedent debt, in good faith; or*

*“(ii) any immediate or mediate good faith transferee of such transferee.”*

*“(D) RIGHTS UNDER THIS PARAGRAPH.—The rights under this paragraph of the Corporation shall be superior to any rights of a trustee or any other party (other than any party which is a Federal agency) under title 11, United States Code.”*

*“(17) ATTACHMENT OF ASSETS AND OTHER INJUNCTIVE RELIEF.—Subject to paragraph (18), any court of competent jurisdiction may, at the request of the Corporation (in the Corporation’s capacity as conservator or receiver for any System institution or in the Corporation’s corporate capacity with respect to any asset acquired or liability assumed by the Corporation under section 5.61), issue an order in accordance with Rule 65 of the Federal Rules of Civil Procedure, including an order placing the assets of any person designated by the Corporation under the control of the court and appointing a trustee to hold such assets.”*

*“(18) STANDARDS.—*

*“(A) SHOWING.—Rule 65 of the Federal Rules of Civil Procedure shall apply with respect to any proceeding under paragraph (17) without regard to the requirement of such rule that the applicant show that the injury, loss, or damage is irreparable and immediate.”*

*“(B) STATE PROCEEDING.—If, in the case of any proceeding in a State court, the court determines that rules of civil procedure available under the laws of such State provide substantially similar protections to such party’s right*

*to due process as Rule 65 (as modified with respect to such proceeding by subparagraph (A)), the relief sought by the Corporation pursuant to paragraph (17) may be requested under the laws of such State.*

*“(19) TREATMENT OF CLAIMS ARISING FROM BREACH OF CONTRACTS EXECUTED BY THE RECEIVER OR CONSERVATOR.—Notwithstanding any other provision of this subsection, any final and unappealable judgment for monetary damages entered against a receiver or conservator for a System institution for the breach of an agreement executed or approved by such receiver or conservator after the date of its appointment shall be paid as an administrative expense of the receiver or conservator. Nothing in this paragraph shall be construed to limit the power of a receiver or conservator to exercise any rights under contract or law, including terminating, breaching, canceling, or otherwise discontinuing such agreement.*

*“(c) PROVISIONS RELATING TO CONTRACTS ENTERED INTO BEFORE APPOINTMENT OF CONSERVATOR OR RECEIVER.—*

*“(1) AUTHORITY TO REPUDIATE CONTRACTS.—In addition to any other rights a conservator or receiver may have, the conservator or receiver for a System institution may disaffirm or repudiate any contract or lease—*

*“(A) to which such System institution is a party;*

*“(B) the performance of which the conservator or receiver, in the conservator’s or receiver’s discretion, determines to be burdensome; and*

*“(C) the disaffirmance or repudiation of which the conservator or receiver determines, in the conservator’s or receiver’s discretion, will promote the orderly administration of the System institution’s affairs.*

*“(2) TIMING OF REPUDIATION.—The Corporation as conservator or receiver for any System institution shall determine whether or not to exercise the rights of repudiation under this subsection within a reasonable period following such appointment.*

*“(3) CLAIMS FOR DAMAGES FOR REPUDIATION.—*

*“(A) IN GENERAL.—Except as otherwise provided in subparagraph (C) and paragraphs (4), (5), and (6), the liability of the conservator or receiver for the disaffirmance or repudiation of any contract pursuant to paragraph (1) shall be—*

*“(i) limited to actual direct compensatory damages;*

*and*

*“(ii) determined as of—*

*“(I) the date of the appointment of the conservator or receiver; or*

*“(II) in the case of any contract or agreement referred to in paragraph (8), the date of the disaffirmance or repudiation of such contract or agreement.*

*“(B) NO LIABILITY FOR OTHER DAMAGES.—For purposes of subparagraph (A), the term ‘actual direct compensatory damages’ does not include—*

*“(i) punitive or exemplary damages;*

*“(ii) damages for lost profits or opportunity; or*

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*“(iii) damages for pain and suffering.*

*“(C) MEASURE OF DAMAGES FOR REPUDIATION OF FINANCIAL CONTRACTS.—In the case of any qualified financial contract or agreement to which paragraph (8) applies, compensatory damages shall be—*

*“(i) deemed to include normal and reasonable costs of cover or other reasonable measures of damages utilized in the industries for such contract and agreement claims; and*

*“(ii) paid in accordance with this subsection and subsection (j), except as otherwise specifically provided in this section.*

*“(4) LEASES UNDER WHICH THE SYSTEM INSTITUTION IS THE LESSEE.—*

*“(A) IN GENERAL.—If the conservator or receiver disaffirms or repudiates a lease under which the System institution was the lessee, the conservator or receiver shall not be liable for any damages (other than damages determined pursuant to subparagraph (B)) for the disaffirmance or repudiation of such lease.*

*“(B) PAYMENTS OF RENT.—Notwithstanding subparagraph (A), the lessor under a lease to which such subparagraph applies shall—*

*“(i) be entitled to the contractual rent accruing before the later of the date—*

*“(I) the notice of disaffirmance or repudiation is mailed; or*

*“(II) the disaffirmance or repudiation becomes effective, unless the lessor is in default or breach of the terms of the lease; and*

*“(ii) have no claim for damages under any acceleration clause or other penalty provision in the lease; and*

*“(iii) have a claim for any unpaid rent, subject to all appropriate offsets and defenses, due as of the date of the appointment, which shall be paid in accordance with this subsection and subsection (j).*

*“(5) LEASES UNDER WHICH THE SYSTEM INSTITUTION IS THE LESSOR.—*

*“(A) IN GENERAL.—If the conservator or receiver repudiates an unexpired written lease of real property of the System institution under which the System institution is the lessor and the lessee is not, as of the date of such repudiation, in default, the lessee under such lease may either—*

*“(i) treat the lease as terminated by such repudiation; or*

*“(ii) remain in possession of the leasehold interest for the balance of the term of the lease, unless the lessee defaults under the terms of the lease after the date of such repudiation.*

*“(B) PROVISIONS APPLICABLE TO LESSEE REMAINING IN POSSESSION.—If any lessee under a lease described in subparagraph (A) remains in possession of a leasehold interest pursuant to clause (ii) of such subparagraph—*

*“(i) the lessee—*

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*“(I) shall continue to pay the contractual rent pursuant to the terms of the lease after the date of the repudiation of such lease; and*

*“(II) may offset against any rent payment which accrues after the date of the repudiation of the lease, any damages which accrue after such date due to the nonperformance of any obligation of the System institution under the lease after such date; and*

*“(ii) the conservator or receiver shall not be liable to the lessee for any damages arising after such date as a result of the repudiation, other than the amount of any offset allowed under clause (i)(II).*

**“(6) CONTRACTS FOR THE SALE OF REAL PROPERTY.—**

*“(A) IN GENERAL.—If the conservator or receiver repudiates any contract that meets the requirements of paragraphs (1) through (4) of section 5.61(d) for the sale of real property, and the purchaser of such real property under such contract is in possession and is not, as of the date of such repudiation, in default, such purchaser may either—*

*“(i) treat the contract as terminated by such repudiation; or*

*“(ii) remain in possession of such real property.*

**“(B) PROVISIONS APPLICABLE TO PURCHASER REMAINING IN POSSESSION.—If any purchaser of real property under any contract described in subparagraph (A) remains in possession of such property pursuant to clause (ii) of such subparagraph—**

*“(i) the purchaser—*

*“(I) shall continue to make all payments due under the contract after the date of the repudiation of the contract; and*

*“(II) may offset against any such payments any damages which accrue after such date due to the nonperformance (after such date) of any obligation of the System institution under the contract; and*

*“(ii) the conservator or receiver shall—*

*“(I) not be liable to the purchaser for any damages arising after that date as a result of the repudiation, other than the amount of any offset allowed under clause (i)(II);*

*“(II) deliver title to the purchaser in accordance with the contract; and*

*“(III) have no obligation under the contract, other than the performance required under subclause (II).*

**“(C) ASSIGNMENT AND SALE ALLOWED.—**

*“(i) IN GENERAL.—No provision of this paragraph shall be construed as limiting the right of the conservator or receiver to assign the contract described in subparagraph (A) and sell the property subject to the contract and this paragraph.*

*“(ii) NO LIABILITY AFTER ASSIGNMENT AND SALE.—If an assignment and sale described in clause (i) is*

*consummated, the Corporation, acting as conservator or receiver, shall have no further liability under the applicable contract described in subparagraph (A) or with respect to the real property which was the subject of such contract.*

**“(7) PROVISIONS APPLICABLE TO SERVICE CONTRACTS.—**

**“(A) SERVICES PERFORMED BEFORE APPOINTMENT.—***In the case of any contract for services between any person and any System institution for which the Corporation has been appointed conservator or receiver, any claim of such person for services performed before the appointment of the conservator or the receiver shall be—*

*“(i) a claim to be paid in accordance with subsections (b) and (d); and*

*“(ii) deemed to have arisen as of the date the conservator or receiver was appointed.*

**“(B) SERVICES PERFORMED AFTER APPOINTMENT AND PRIOR TO REPUDIATION.—***If, in the case of any contract for services described in subparagraph (A), the conservator or receiver accepts performance by the other person before the conservator or receiver makes any determination to exercise the right of repudiation of such contract under this section—*

*“(i) the other party shall be paid under the terms of the contract for the services performed; and*

*“(ii) the amount of such payment shall be treated as an administrative expense of the conservatorship or receivership.*

**“(C) ACCEPTANCE OF PERFORMANCE NO BAR TO SUBSEQUENT REPUDIATION.—***The acceptance by any conservator or receiver of services referred to in subparagraph (B) in connection with a contract described in such subparagraph shall not affect the right of the conservator or receiver, to repudiate such contract under this section at any time after such performance.*

**“(8) CERTAIN QUALIFIED FINANCIAL CONTRACTS.—**

**“(A) DEFINITIONS.—***In this paragraph:*

*“(i) COMMODITY CONTRACT.—*The term ‘commodity contract’ means—

*“(I) with respect to a futures commission merchant, a contract for the purchase or sale of a commodity for future delivery on, or subject to the rules of, a contract market or board of trade;*

*“(II) with respect to a foreign futures commission merchant, a foreign future;*

*“(III) with respect to a leverage transaction merchant, a leverage transaction;*

*“(IV) with respect to a clearing organization, a contract for the purchase or sale of a commodity for future delivery on, or subject to the rules of, a contract market or board of trade that is cleared by such clearing organization, or commodity option traded on, or subject to the rules of, a contract market or board of trade that is cleared by such clearing organization;*



*“(V) with respect to a commodity options dealer, a commodity option;*

*“(VI) any other agreement or transaction that is similar to any agreement or transaction referred to in this clause;*

*“(VII) any combination of the agreements or transactions referred to in this clause;*

*“(VIII) any option to enter into any agreement or transaction referred to in this clause;*

*“(IX) a master agreement that provides for an agreement or transaction referred to in any of subclauses (I) through (VIII), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a commodity contract under this clause, except that the master agreement shall be considered to be a commodity contract under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (II), (III), (IV), (V), (VI), (VII), or (VIII); or*

*“(X) any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in this clause, including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in this clause.*

*“(ii) FORWARD CONTRACT.—The term ‘forward contract’ means—*

*“(I) a contract (other than a commodity contract) for the purchase, sale, or transfer of a commodity or any similar good, article, service, right, or interest which is presently or in the future becomes the subject of dealing in the forward contract trade, or product or byproduct thereof, with a maturity date more than 2 days after the date the contract is entered into, including a repurchase or reverse repurchase transaction (whether or not such repurchase or reverse repurchase transaction is a repurchase agreement), consignment, lease, swap, hedge transaction, deposit, loan, option, allocated transaction, unallocated transaction, or any other similar agreement;*

*“(II) any combination of agreements or transactions referred to in subclauses (I) and (III);*

*“(III) any option to enter into any agreement or transaction referred to in subclause (I) or (II);*

*“(IV) a master agreement that provides for an agreement or transaction referred to in subclauses (I) through (III), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a forward contract under this clause, except that the master agreement shall be considered to be a forward con-*



*tract under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (II), or (III); or*

*“(V) any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in subclause (I), (II), (III), or (IV), including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in any such subclause.*

*“(iii) PERSON.—The term ‘person’—*

*“(I) has the meaning given the term in section 1 of title 1, United States Code; and*

*“(II) includes any governmental entity.*

*“(iv) QUALIFIED FINANCIAL CONTRACT.—The term ‘qualified financial contract’ means any securities contract, commodity contract, forward contract, repurchase agreement, swap agreement, and any similar agreement that the Corporation determines by regulation, resolution, or order to be a qualified financial contract for purposes of this paragraph.*

*“(v) REPURCHASE AGREEMENT.—*

*“(I) IN GENERAL.—The term ‘repurchase agreement’ (including with respect to a reverse repurchase agreement)—*

*“(aa) means—*

*“(AA) an agreement, including related terms, which provides for the transfer of one or more certificates of deposit, mortgage-related securities (as such term is defined in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a))), mortgage loans, interests in mortgage-related securities or mortgage loans, eligible bankers’ acceptances, qualified foreign government securities or securities that are direct obligations of, or that are fully guaranteed by, the United States or any agency of the United States against the transfer of funds by the transferee of such certificates of deposit, eligible bankers’ acceptances, securities, mortgage loans, or interests with a simultaneous agreement by such transferee to transfer to the transferor thereof certificates of deposit, eligible bankers’ acceptances, securities, mortgage loans, or interests as described above, at a date certain not later than 1 year after such transfers or on demand, against the transfer of funds, or any other similar agreement;*

*“(BB) any combination of agreements or transactions referred to in subitems (AA) and (CC);*

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*“(CC) any option to enter into any agreement or transaction referred to in subitem (AA) or (BB);*

*“(DD) a master agreement that provides for an agreement or transaction referred to in subitem (AA), (BB), or (CC), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a repurchase agreement under this item, except that the master agreement shall be considered to be a repurchase agreement under this item only with respect to each agreement or transaction under the master agreement that is referred to in subitem (AA), (BB), or (CC); and*

*“(EE) any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in any of subitems (AA) through (DD), including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in any such subitem; and*

*“(bb) does not include any repurchase obligation under a participation in a commercial mortgage, loan unless the Corporation determines by regulation, resolution, or order to include any such participation within the meaning of such term.*

*“(II) RELATED DEFINITION.—For purposes of subclause (I)(aa), the term ‘qualified foreign government security’ means a security that is a direct obligation of, or that is fully guaranteed by, the central government of a member of the Organization for Economic Cooperation and Development (as determined by regulation or order adopted by the appropriate Federal banking authority).*

*“(vi) SECURITIES CONTRACT.—The term ‘securities contract’—*

*“(I) means—*

*“(aa) a contract for the purchase, sale, or loan of a security, a certificate of deposit, a mortgage loan, any interest in a mortgage loan, a group or index of securities, certificates of deposit, or mortgage loans or interests therein (including any interest therein or based on the value thereof) or any option on any of the foregoing, including any option to purchase or sell any such security, certificate of deposit, mortgage loan, interest, group or index, or option, and including any repurchase or reverse repurchase transaction on any such security, certificate of deposit, mortgage loan, interest,*

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*group or index, or option (whether or not the repurchase or reverse repurchase transaction is a repurchase agreement);*

*“(bb) any option entered into on a national securities exchange relating to foreign currencies;*

*“(cc) the guarantee (including by novation) by or to any securities clearing agency of any settlement of cash, securities, certificates of deposit, mortgage loans or interests therein, group or index of securities, certificates of deposit, or mortgage loans or interests therein (including any interest therein or based on the value thereof) or option on any of the foregoing, including any option to purchase or sell any such security, certificate of deposit, mortgage loan, interest, group or index, or option (whether or not the settlement is in connection with any agreement or transaction referred to in any of items (aa), (bb), and (dd) through (kk));*

*“(dd) any margin loan;*

*“(ee) any extension of credit for the clearance or settlement of securities transactions;*

*“(ff) any loan transaction coupled with a securities collar transaction, any prepaid securities forward transaction, or any total return swap transaction coupled with a securities sale transaction;*

*“(gg) any other agreement or transaction that is similar to any agreement or transaction referred to in this subclause;*

*“(hh) any combination of the agreements or transactions referred to in this subclause;*

*“(ii) any option to enter into any agreement or transaction referred to in this subclause;*

*“(jj) a master agreement that provides for an agreement or transaction referred to in any of items (aa) through (ii), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a securities contract under this subclause, except that the master agreement shall be considered to be a securities contract under this subclause only with respect to each agreement or transaction under the master agreement that is referred to in item (aa), (bb), (cc), (dd), (ee), (ff), (gg), (hh), or (ii); and*

*“(kk) any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in this subclause, including any guarantee or reimbursement obligation in connection with*

*any agreement or transaction referred to in this subclause; and*

*“(II) does not include any purchase, sale, or repurchase obligation under a participation in a commercial mortgage loan unless the Corporation determines by regulation, resolution, or order to include any such agreement within the meaning of such term.*

*“(vii) SWAP AGREEMENT.—The term ‘swap agreement’ means—*

*“(I) any agreement, including the terms and conditions incorporated by reference in any such agreement, that is—*

*“(aa) an interest rate swap, option, future, or forward agreement, including a rate floor, rate cap, rate collar, cross-currency rate swap, and basis swap;*

*“(bb) a spot, same day-tomorrow, tomorrow-next, forward, or other foreign exchange precious metals or other commodity agreement;*

*“(cc) a currency swap, option, future, or forward agreement;*

*“(dd) an equity index or equity swap, option, future, or forward agreement;*

*“(ee) a debt index or debt swap, option, future, or forward agreement;*

*“(ff) a total return, credit spread or credit swap, option, future, or forward agreement;*

*“(gg) a commodity index or commodity swap, option, future, or forward agreement;*

*“(hh) a weather swap, option, future, or forward agreement;*

*“(ii) an emissions swap, option, future, or forward agreement; or*

*“(jj) an inflation swap, option, future, or forward agreement;*

*“(II) any agreement or transaction that is similar to any other agreement or transaction referred to in this clause and that is of a type that has been, is presently, or in the future becomes, the subject of recurrent dealings in the swap or other derivatives markets (including terms and conditions incorporated by reference in such agreement) and that is a forward, swap, future, option or spot transaction on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, quantitative measures associated with an occurrence, extent of an occurrence, or contingency associated with a financial, commercial, or economic consequence, or economic or financial indices or measures of economic or financial risk or value;*

*“(III) any combination of agreements or transactions referred to in this clause;*

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*“(IV) any option to enter into any agreement or transaction referred to in this clause;*

*“(V) a master agreement that provides for an agreement or transaction referred to in any of subclauses (I) through (IV), together with all supplements to any such master agreement, without regard to whether the master agreement contains an agreement or transaction that is not a swap agreement under this clause, except that the master agreement shall be considered to be a swap agreement under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (II), (III), or (IV); and*

*“(VI) any security agreement or arrangement or other credit enhancement related to any agreements or transactions referred to in any of subclauses (I) through (V), including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in any such subclause.*

*“(viii) TRANSFER.—The term ‘transfer’ means every mode, direct or indirect, absolute or conditional, voluntary or involuntary, of disposing of or parting with property or with an interest in property, including retention of title as a security interest and foreclosure of the equity of redemption of a System institution.*

*“(ix) TREATMENT OF MASTER AGREEMENT AS 1 AGREEMENT.—For purposes of this subparagraph—*

*“(I) any master agreement for any contract or agreement described in this subparagraph (or any master agreement for such a master agreement or agreements), together with all supplements to the master agreement, shall be treated as a single agreement and a single qualified financial contact; and*

*“(II) if a master agreement contains provisions relating to agreements or transactions that are not qualified financial contracts, the master agreement shall be deemed to be a qualified financial contract only with respect to those transactions that are themselves qualified financial contracts.*

*“(B) RIGHTS OF PARTIES TO CONTRACTS.—Subject to paragraphs (9) and (10), and notwithstanding any other provision of this Act (other than subsection (b)(9) and section 5.61(d)) or any other Federal or State law, no person shall be stayed or prohibited from exercising—*

*“(i) any right such person has to cause the termination, liquidation, or acceleration of any qualified financial contract with a System institution which arises upon the appointment of the Corporation as receiver for such System institution at any time after such appointment;*

*“(ii) any right under any security agreement or arrangement or other credit enhancement related to one*

or more qualified financial contracts described in clause (i); or

“(iii) any right to offset or net out any termination value, payment amount, or other transfer obligation arising under, or in connection with, 1 or more contracts and agreements described in clause (i), including any master agreement for such contracts or agreements.

“(C) *APPLICABILITY OF OTHER PROVISIONS.*—Subsection (b)(12) shall apply in the case of any judicial action or proceeding brought against any receiver referred to in subparagraph (A), or the System institution for which such receiver was appointed, by any party to a contract or agreement described in subparagraph (B)(i) with such System institution.

“(D) *CERTAIN TRANSFERS NOT AVOIDABLE.*—

“(i) *IN GENERAL.*—Notwithstanding paragraph (11) or any other Federal or State law relating to the avoidance of preferential or fraudulent transfers, the Corporation, whether acting as such or as conservator or receiver of a System institution, may not avoid any transfer of money or other property in connection with any qualified financial contract with a System institution.

“(ii) *EXCEPTION FOR CERTAIN TRANSFERS.*—Clause (i) shall not apply to any transfer of money or other property in connection with any qualified financial contract with a System institution if the Corporation determines that the transferee had actual intent to hinder, delay, or defraud such System institution, the creditors of such System institution, or any conservator or receiver appointed for such System institution.

“(E) *CERTAIN PROTECTIONS IN EVENT OF APPOINTMENT OF CONSERVATOR.*—Notwithstanding any other provision of this Act (other than subparagraph (G), paragraph (10), subsection (b)(9), and section 5.61(d)) or any other Federal or State law, no person shall be stayed or prohibited from exercising—

“(i) any right such person has to cause the termination, liquidation, or acceleration of any qualified financial contract with a System institution in a conservatorship based upon a default under such financial contract which is enforceable under applicable non-insolvency law;

“(ii) any right under any security agreement or arrangement or other credit enhancement related to one or more qualified financial contracts described in clause (i); and

“(iii) any right to offset or net out any termination values, payment amounts, or other transfer obligations arising under or in connection with such qualified financial contracts.

“(F) *CLARIFICATION.*—No provision of law shall be construed as limiting the right or power of the Corporation, or authorizing any court or agency to limit or delay, in any



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*manner, the right or power of the Corporation to transfer any qualified financial contract in accordance with paragraphs (9) and (10) or to disaffirm or repudiate any such contract in accordance with paragraph (1).*

*“(G) WALKAWAY CLAUSES NOT EFFECTIVE.—*

*“(i) DEFINITION OF WALKAWAY CLAUSE.—In this subparagraph, the term ‘walkaway clause’ means any provision in a qualified financial contract that suspends, conditions, or extinguishes a payment obligation of a party, in whole or in part, or does not create a payment obligation of a party that would otherwise exist—*

*“(I) solely because of—*

*“(aa) the status of the party as a non-defaulting party in connection with the insolvency of a System institution that is a party to the contract; or*

*“(bb) the appointment of, or the exercise of rights or powers by, the Corporation as a conservator or receiver of the System institution; and*

*“(II) not as a result of the exercise by a party of any right to offset, setoff, or net obligations that exist under—*

*“(aa) the contract;*

*“(bb) any other contract between those parties; or*

*“(cc) applicable law.*

*“(ii) TREATMENT.—Notwithstanding the provisions of subparagraphs (B) and (E), no walkaway clause shall be enforceable in a qualified financial contract of a System institution in default.*

*“(iii) LIMITED SUSPENSION OF CERTAIN OBLIGATIONS.—In the case of a qualified financial contract referred to in clause (ii), any payment or delivery obligations otherwise due from a party pursuant to the qualified financial contract shall be suspended from the time the receiver is appointed until the earlier of—*

*“(I) the time such party receives notice that such contract has been transferred pursuant to subparagraph (B); or*

*“(II) 5:00 p.m. (eastern time) on the business day following the date of the appointment of the receiver.*

*“(H) RECORDKEEPING REQUIREMENTS.—The Corporation, in consultation with the Farm Credit Administration, may prescribe regulations requiring more detailed record-keeping by any System institution with respect to qualified financial contracts (including market valuations), only if such System institution is subject to subclause (I), (III), or (IV) of section 5.61B(a)(1)(A)(ii).*

*“(9) TRANSFER OF QUALIFIED FINANCIAL CONTRACTS.—*

*“(A) DEFINITIONS.—In this paragraph:*

*“(i) CLEARING ORGANIZATION.—The term ‘clearing organization’ has the meaning given the term in section*

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402 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 4402).

“(ii) *FINANCIAL INSTITUTION.*—The term ‘financial institution’ means a System institution, a broker or dealer, a depository institution, a futures commission merchant, or any other institution, as determined by the Corporation by regulation to be a financial institution.

“(B) *REQUIREMENT.*—In making any transfer of assets or liabilities of a System institution in default which includes any qualified financial contract, the conservator or receiver for such System institution shall either—

“(i) transfer to one financial institution, other than a financial institution for which a conservator, receiver, trustee in bankruptcy, or other legal custodian has been appointed, or that is otherwise the subject of a bankruptcy or insolvency proceeding—

“(I) all qualified financial contracts between any person or any affiliate of such person and the System institution in default;

“(II) all claims of such person or any affiliate of such person against such System institution under any such contract (other than any claim which, under the terms of any such contract, is subordinated to the claims of general unsecured creditors of such System institution);

“(III) all claims of such System institution against such person or any affiliate of such person under any such contract; and

“(IV) all property securing or any other credit enhancement for any contract described in subclause (I) or any claim described in subclause (II) or (III) under any such contract; or

“(ii) transfer none of the qualified financial contracts, claims, property or other credit enhancement referred to in clause (i) (with respect to such person and any affiliate of such person).

“(C) *TRANSFER TO FOREIGN BANK, FOREIGN FINANCIAL INSTITUTION, OR BRANCH OR AGENCY OF A FOREIGN BANK OR FINANCIAL INSTITUTION.*—In transferring any qualified financial contracts and related claims and property under subparagraph (B)(i), the conservator or receiver for the System institution shall not make such transfer to a foreign bank, financial institution organized under the laws of a foreign country, or a branch or agency of a foreign bank or financial institution unless, under the law applicable to such bank, financial institution, branch or agency, to the qualified financial contracts, and to any netting contract, any security agreement or arrangement or other credit enhancement related to one or more qualified financial contracts, the contractual rights of the parties to such qualified financial contracts, netting contracts, security agreements or arrangements, or other credit enhancements are enforceable substantially to the same extent as permitted under this section.

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*“(D) TRANSFER OF CONTRACTS SUBJECT TO THE RULES OF A CLEARING ORGANIZATION.—In the event that a conservator or receiver transfers any qualified financial contract and related claims, property, and credit enhancements pursuant to subparagraph (B)(i) and such contract is cleared by or subject to the rules of a clearing organization, the clearing organization shall not be required to accept the transferee as a member by virtue of the transfer.*

*“(10) NOTIFICATION OF TRANSFER.—*

*“(A) DEFINITION OF BUSINESS DAY.—In this paragraph, the term ‘business day’ means any day other than any Saturday, Sunday, or any day on which either the New York Stock Exchange or the Federal Reserve Bank of New York is closed.*

*“(B) NOTIFICATION.—If—*

*“(i) the conservator or receiver for a System institution in default makes any transfer of the assets and liabilities of such System institution; and*

*“(ii) the transfer includes any qualified financial contract, the conservator or receiver shall notify any person who is a party to any such contract of such transfer by 5:00 p.m. (eastern time) on the business day following the date of the appointment of the receiver in the case of a receivership, or the business day following such transfer in the case of a conservatorship.*

*“(C) CERTAIN RIGHTS NOT ENFORCEABLE.—*

*“(i) RECEIVERSHIP.—A person who is a party to a qualified financial contract with a System institution may not exercise any right that such person has to terminate, liquidate, or net such contract under paragraph (8)(B) of this subsection, solely by reason of or incidental to the appointment of a receiver for the System institution (or the insolvency or financial condition of the System institution for which the receiver has been appointed)—*

*“(I) until 5:00 p.m. (eastern time) on the business day following the date of the appointment of the receiver; or*

*“(II) after the person has received notice that the contract has been transferred pursuant to paragraph (9)(B).*

*“(ii) CONSERVATORSHIP.—A person who is a party to a qualified financial contract with a System institution may not exercise any right that such person has to terminate, liquidate, or net such contract under paragraph (8)(E) of this subsection, solely by reason of or incidental to the appointment of a conservator for the System institution (or the insolvency or financial condition of the System institution for which the conservator has been appointed).*

*“(iii) NOTICE.—For purposes of this paragraph, the Corporation as receiver or conservator of a System institution shall be deemed to have notified a person who is a party to a qualified financial contract with such System institution if the Corporation has taken steps*

*reasonably calculated to provide notice to such person by the time specified in subparagraph (B).*

*“(D) TREATMENT OF BRIDGE SYSTEM INSTITUTIONS.—The following System institutions shall not be considered to be a financial institution for which a conservator, receiver, trustee in bankruptcy, or other legal custodian has been appointed or which is otherwise the subject of a bankruptcy or insolvency proceeding for purposes of paragraph (9):*

*“(i) A bridge System bank.*

*“(ii) A System institution organized by the Corporation or the Farm Credit Administration, for which a conservator is appointed either—*

*“(I) immediately upon the organization of the System institution; or*

*“(II) at the time of a purchase and assumption transaction between the System institution and the Corporation as receiver for a System institution in default.*

*“(11) DISAFFIRMANCE OR REPUDIATION OF QUALIFIED FINANCIAL CONTRACTS.—In exercising the rights of disaffirmance or repudiation of a conservator or receiver with respect to any qualified financial contract to which a System institution is a party, the conservator or receiver for such System institution shall either—*

*“(A) disaffirm or repudiate all qualified financial contracts between—*

*“(i) any person or any affiliate of such person; and*

*“(ii) the System institution in default; or*

*“(B) disaffirm or repudiate none of the qualified financial contracts referred to in subparagraph (A) (with respect to such person or any affiliate of such person).*

*“(12) CERTAIN SECURITY INTERESTS NOT AVOIDABLE.—No provision of this subsection shall be construed as permitting the avoidance of any legally enforceable or perfected security interest in any of the assets of any System institution except where such an interest is taken in contemplation of the System institution’s insolvency or with the intent to hinder, delay, or defraud the System institution or the creditors of such System institution.*

*“(13) AUTHORITY TO ENFORCE CONTRACTS.—*

*“(A) IN GENERAL.—The conservator or receiver may enforce any contract, other than a director’s or officer’s liability insurance contract or a System institution bond, entered into by the System institution notwithstanding any provision of the contract providing for termination, default, acceleration, or exercise of rights upon, or solely by reason of, insolvency or the appointment of or the exercise of rights or powers by a conservator or receiver.*

*“(B) CERTAIN RIGHTS NOT AFFECTED.—No provision of this paragraph may be construed as impairing or affecting any right of the conservator or receiver to enforce or recover under a director’s or officer’s liability insurance contract or institution bond under other applicable law.*

*“(C) CONSENT REQUIREMENT.—*

“(i) *IN GENERAL.*—Except as otherwise provided by this section, no person may exercise any right or power to terminate, accelerate, or declare a default under any contract to which the System institution is a party, or to obtain possession of or exercise control over any property of the System institution or affect any contractual rights of the System institution, without the consent of the conservator or receiver, as appropriate, during the 45-day period beginning on the date of the appointment of the conservator, or during the 90-day period beginning on the date of the appointment of the receiver, as applicable.

“(ii) *CERTAIN EXCEPTIONS.*—No provision of this subparagraph shall apply to a director or officer liability insurance contract or an institution bond, to the rights of parties to certain qualified financial contracts pursuant to paragraph (8), or shall be construed as permitting the conservator or receiver to fail to comply with otherwise enforceable provisions of such contract.

“(14) *EXCEPTION FOR FEDERAL RESERVE AND THE UNITED STATES TREASURY.*—No provision of this subsection shall apply with respect to—

“(A) any extension of credit from any Federal Reserve bank or the United States Treasury to any System institution; or

“(B) any security interest in the assets of the System institution securing any such extension of credit.

“(15) *SAVINGS CLAUSE.*—The meanings of terms used in this subsection—

“(A) are applicable for purposes of this subsection only; and

“(B) shall not be construed or applied so as to challenge or affect the characterization, definition, or treatment of any similar terms under any other law, regulation, or rule, including—

“(i) the Gramm-Leach-Bliley Act (12 U.S.C. 1811 note; Public Law 106–102);

“(ii) the Legal Certainty for Bank Products Act of 2000 (7 U.S.C. 27 et seq.);

“(iii) the securities laws (as that term is defined in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a))); and

“(iv) the Commodity Exchange Act (7 U.S.C. 1 et seq.).

“(d) *VALUATION OF CLAIMS IN DEFAULT.*—

“(1) *IN GENERAL.*—Notwithstanding any other provision of Federal law or the law of any State and regardless of the method which the Corporation determines to utilize with respect to a System institution in default or in danger of default, including transactions authorized under subsection (h) and section 5.61(a), this subsection shall govern the rights of the creditors of such System institution.

“(2) *MAXIMUM LIABILITY.*—The maximum liability of the Corporation, acting as receiver or in any other capacity, to any person having a claim against the receiver or the System insti-



*tution for which such receiver is appointed shall equal the amount such claimant would have received if the Corporation had liquidated the assets and liabilities of such System institution without exercising the Corporation's authority under subsection (h) or section 5.61(a).*

*“(3) ADDITIONAL PAYMENTS AUTHORIZED.—*

*“(A) IN GENERAL.—The Corporation may, in its discretion and in the interests of minimizing its losses, use its own resources to make additional payments or credit additional amounts to or with respect to or for the account of any claimant or category of claimants. Notwithstanding any other provision of Federal or State law, or the constitution of any State, the Corporation shall not be obligated, as a result of having made any such payment or credited any such amount to or with respect to or for the account of any claimant or category of claimants, to make payments to any other claimant or category of claimants.*

*“(B) MANNER OF PAYMENT.—The Corporation may make the payments or credit the amounts specified in subparagraph (A) directly to the claimants or may make such payments or credit such amounts to an open System institution to induce such System institution to accept liability for such claims.*

*“(e) LIMITATION ON COURT ACTION.—Except as provided in this section, no court may take any action, except at the written request of the Board of Directors, to restrain or affect the exercise of powers or functions of the Corporation as a conservator or a receiver.*

*“(f) LIABILITY OF DIRECTORS AND OFFICERS.—*

*“(1) IN GENERAL.—A director or officer of a System institution may be held personally liable for monetary damages in any civil action—*

*“(A) brought by, on behalf of, or at the request or direction of the Corporation;*

*“(B) prosecuted wholly or partially for the benefit of the Corporation—*

*“(i) acting as conservator or receiver of that System institution;*

*“(ii) acting based on a suit, claim, or cause of action purchased from, assigned by, or otherwise conveyed by that receiver or conservator; or*

*“(iii) acting based on a suit, claim, or cause of action purchased from, assigned by, or otherwise conveyed in whole or in part by a System institution or an affiliate of a System institution in connection with assistance provided under section 5.61(a); and*

*“(C) for, as determined under the applicable State law—*

*“(i) gross negligence; or*

*“(ii) any similar conduct, including conduct that demonstrates a greater disregard of a duty of care than gross negligence, such as intentional tortious conduct.*

*“(2) EFFECT.—Nothing in paragraph (1) impairs or affects any right of the Corporation under any other applicable law.*

*“(g) DAMAGES.—In any proceeding related to any claim against a System institution's director, officer, employee, agent, attorney, ac-*



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*countant, appraiser, or any other party employed by or providing services to a System institution, recoverable damages determined to result from the improvident or otherwise improper use or investment of any System institution's assets shall include principal losses and appropriate interest.*

*“(h) BRIDGE FARM CREDIT SYSTEM BANKS.—*

*“(1) ORGANIZATION.—*

*“(A) PURPOSE.—*

*“(i) IN GENERAL.—When 1 or more System banks are in default, or when the Corporation anticipates that 1 or more System banks may become in default, the Corporation may, in its discretion, organize, and the Farm Credit Administration may, in its discretion, charter, 1 or more System banks, with the powers and attributes of System banks, subject to the provisions of this subsection, to be referred to as ‘bridge System banks’.*

*“(ii) INTENT OF CONGRESS.—It is the intent of the Congress that, in order to prevent unnecessary hardship or losses to the customers of any System bank in default with respect to which a bridge System bank is chartered, the Corporation should—*

*“(I) continue to honor commitments made by the System bank in default to creditworthy customers; and*

*“(II) not interrupt or terminate adequately secured loans which are transferred under this subsection and are being repaid by the debtor in accordance with the terms of the loan instrument.*

*“(B) AUTHORITIES.—Once chartered by the Farm Credit Administration, the bridge System bank may—*

*“(i) assume such liabilities of the System bank or banks in default or in danger of default as the Corporation may, in its discretion, determine to be appropriate;*

*“(ii) purchase such assets of the System bank or banks in default or in danger of default as the Corporation may, in its discretion, determine to be appropriate; and*

*“(iii) perform any other temporary function which the Corporation may, in its discretion, prescribe in accordance with this Act.*

*“(C) ARTICLES OF ASSOCIATION.—The articles of association and organization certificate of a bridge System bank as approved by the Corporation shall be executed by 3 representatives designated by the Corporation.*

*“(D) INTERIM DIRECTORS.—A bridge System bank shall have an interim board of directors consisting of not fewer than 5 nor more than 10 members appointed by the Corporation.*

*“(2) CHARTERING.—*

*“(A) CONDITIONS.—The Farm Credit Administration may charter a bridge System bank only if the Board of Directors determines that—*

*“(i) the amount which is reasonably necessary to operate such bridge System bank will not exceed the amount which is reasonably necessary to save the cost of liquidating 1 or more System banks in default or in danger of default with respect to which the bridge System bank is chartered;*

*“(ii) the continued operation of such System bank or banks in default or in danger of default with respect to which the bridge System bank is chartered is essential to provide adequate farm credit services in the 1 or more communities where each such System bank in default or in danger of default is or was providing those farm credit services; or*

*“(iii) the continued operation of such System bank or banks in default or in danger of default with respect to which the bridge System bank is chartered is in the best interest of the Farm Credit System or the public.*

*“(B) BRIDGE SYSTEM BANK TREATED AS BEING IN DEFAULT FOR CERTAIN PURPOSES.—A bridge System bank shall be treated as being in default at such times and for such purposes as the Corporation may, in its discretion, determine.*

*“(C) MANAGEMENT.—A bridge System bank, upon the granting of its charter, shall be under the management of a board of directors consisting of not fewer than 5 nor more than 10 members appointed by the Corporation, in consultation with the Farm Credit Administration.*

*“(D) BYLAWS.—The board of directors of a bridge System bank shall adopt such bylaws as may be approved by the Corporation.*

*“(3) TRANSFER OF ASSETS AND LIABILITIES.—*

*“(A) TRANSFER UPON GRANT OF CHARTER.—Upon the granting of a charter to a bridge System bank pursuant to this subsection, the Corporation, as receiver, may transfer any assets and liabilities of the System bank to the bridge System bank in accordance with paragraph (1).*

*“(B) SUBSEQUENT TRANSFERS.—At any time after a charter is granted to a bridge System bank, the Corporation, as receiver, may transfer any assets and liabilities of such System bank in default as the Corporation may, in its discretion, determine to be appropriate in accordance with paragraph (1).*

*“(C) EFFECTIVE WITHOUT APPROVAL.—The transfer of any assets or liabilities of a System bank in default or danger of default transferred to a bridge System bank shall be effective without any further approval under Federal or State law, assignment, or consent with respect thereto.*

*“(4) POWERS OF BRIDGE SYSTEM BANKS.—Each bridge System bank chartered under this subsection shall, to the extent described in the charter of the System bank in default with respect to which the bridge System bank is chartered, have all corporate powers of, and be subject to the same provisions of law as, any System bank, except that—*

*“(A) the Corporation may—*

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*“(i) remove the interim directors and directors of a bridge System bank;*

*“(ii) fix the compensation of members of the interim board of directors and the board of directors and senior management, as determined by the Corporation in its discretion, of a bridge System bank; and*

*“(iii) waive any requirement established under Federal or State law which would otherwise be applicable with respect to directors of a bridge System bank, on the condition that the waiver of any requirement established by the Farm Credit Administration shall require the concurrence of the Farm Credit Administration;*

*“(B) the Corporation may indemnify the representatives for purposes of paragraph (1)(B) and the interim directors, directors, officers, employees, and agents of a bridge System bank on such terms as the Corporation determines to be appropriate;*

*“(C) no requirement under any provision of law relating to the capital of a System institution shall apply with respect to a bridge System bank;*

*“(D) the Farm Credit Administration Board may establish a limitation on the extent to which any person may become indebted to a bridge System bank without regard to the amount of the bridge System bank’s capital or surplus;*

*“(E)(i) the board of directors of a bridge System bank shall elect a chairperson who may also serve in the position of chief executive officer, except that such person shall not serve either as chairperson or as chief executive officer without the prior approval of the Corporation; and*

*“(ii) the board of directors of a bridge System bank may appoint a chief executive officer who is not also the chairperson, except that such person shall not serve as chief executive officer without the prior approval of the Corporation;*

*“(F) the Farm Credit Administration may waive any requirement for a fidelity bond with respect to a bridge System bank at the request of the Corporation;*

*“(G) any judicial action to which a bridge System bank becomes a party by virtue of its acquisition of any assets or assumption of any liabilities of a System bank in default shall be stayed from further proceedings for a period of up to 45 days at the request of the bridge System bank;*

*“(H) no agreement which tends to diminish or defeat the right, title or interest of a bridge System bank in any asset of a System bank in default acquired by it shall be valid against the bridge System bank unless such agreement—*

*“(i) is in writing;*

*“(ii) was executed by such System bank in default and the person or persons claiming an adverse interest thereunder, including the obligor, contemporaneously with the acquisition of the asset by such System bank in default;*

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*“(iii) was approved by the board of directors of such System bank in default or its loan committee, which approval shall be reflected in the minutes of said board or committee; and*

*“(iv) has been, continuously from the time of its execution, an official record of such System bank in default;*

*“(I) notwithstanding subsection 5.61(d)(2), any agreement relating to an extension of credit between a System bank, Federal Reserve bank, or the United States Treasury and any System institution which was executed before the extension of credit by such lender to such System institution shall be treated as having been executed contemporaneously with such extension of credit for purposes of subparagraph (H); and*

*“(J) except with the prior approval of the Corporation and the concurrence of the Farm Credit Administration, a bridge System bank may not, in any transaction or series of transactions, issue capital stock or be a party to any merger, consolidation, disposition of substantially all of the assets or liabilities of the bridge System bank, sale or exchange of capital stock, or similar transaction, or change its charter.*

*“(5) CAPITAL.—*

*“(A) NO CAPITAL REQUIRED.—The Corporation shall not be required to—*

*“(i) issue any capital stock on behalf of a bridge System bank chartered under this subsection; or*

*“(ii) purchase any capital stock of a bridge System bank, except that notwithstanding any other provision of Federal or State law, the Corporation may purchase and retain capital stock of a bridge System bank in such amounts and on such terms as the Corporation, in its discretion, determines to be appropriate.*

*“(B) OPERATING FUNDS IN LIEU OF CAPITAL.—Upon the organization of a bridge System bank, and thereafter, as the Corporation may, in its discretion, determine to be necessary or advisable, the Corporation may make available to the bridge System bank, upon such terms and conditions and in such form and amounts as the Corporation may in its discretion determine, funds for the operation of the bridge System bank in lieu of capital.*

*“(C) AUTHORITY TO ISSUE CAPITAL STOCK.—Whenever the Farm Credit Administration Board determines it is advisable to do so, the Corporation shall cause capital stock of a bridge System bank to be issued and offered for sale in such amounts and on such terms and conditions as the Corporation may, in its discretion, determine.*

*“(6) EMPLOYEE STATUS.—Representatives for purposes of paragraph (1)(C), interim directors, directors, officers, employees, or agents of a bridge System bank are not, solely by virtue of service in any such capacity, officers or employees of the United States. Any employee of the Corporation, the Farm Credit Administration, or any Federal instrumentality who serves at the request of the Corporation as a representative for purposes*

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*of paragraph (1)(C), interim director, director, officer, employee, or agent of a bridge System bank shall not—*

*“(A) solely by virtue of service in any such capacity lose any existing status as an officer or employee of the United States for purposes of any provision of law; or*

*“(B) receive any salary or benefits for service in any such capacity with respect to a bridge System bank in addition to such salary or benefits as are obtained through employment with the Corporation or such Federal instrumentality.*

*“(7) ASSISTANCE AUTHORIZED.—The Corporation may, in its discretion, provide assistance under section 5.61(a) to facilitate any merger or consolidation of a bridge System bank in the same manner and to the same extent as such assistance may be provided to a qualifying insured System bank (as defined in section 5.61(a)(2)(B)) or to facilitate a bridge System bank’s acquisition of any assets or the assumption of any liabilities of a System bank in default or in danger of default.*

*“(8) DURATION OF BRIDGE SYSTEM BANKS.—Subject to paragraphs (10) and (11), the status of a bridge System bank as such shall terminate at the end of the 2-year period following the date it was granted a charter. The Farm Credit Administration Board may, in its discretion, extend the status of the bridge System bank as such for 3 additional 1-year periods.*

*“(9) TERMINATION OF BRIDGE SYSTEM BANKS STATUS.—The status of any bridge System bank as such shall terminate upon the earliest of—*

*“(A) the merger or consolidation of the bridge System bank with a System institution that is not a bridge System bank, on the condition that the merger or consolidation shall be subject to the approval of the Farm Credit Administration;*

*“(B) at the election of the Corporation and with the approval of the Farm Credit Administration, the sale of a majority or all of the capital stock of the bridge System bank to a System institution or another bridge System bank;*

*“(C) at the election of the Corporation, and with the approval of the Farm Credit Administration, either the assumption of all or substantially all of the liabilities of the bridge System bank, or the acquisition of all or substantially all of the assets of the bridge System bank, by a System institution that is not a bridge System bank or other entity as permitted under applicable law; and*

*“(D) the expiration of the period provided in paragraph (8), or the earlier dissolution of the bridge System bank as provided in paragraph (11).*

*“(10) EFFECT OF TERMINATION EVENTS.—*

*“(A) MERGER OR CONSOLIDATION.—A bridge System bank that participates in a merger or consolidation as provided in paragraph (9)(A) shall be for all purposes a System institution, with all the rights, powers, and privileges thereof, and such merger or consolidation shall be conducted in accordance with, and shall have the effect provided in, the provisions of applicable law.*



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*“(B) CHARTER CONVERSION.—Following the sale of a majority or all of the capital stock of the bridge System bank as provided in paragraph (9)(B), the Farm Credit Administration Board may amend the charter of the bridge System bank to reflect the termination of the status of the bridge System bank as such, whereupon the System bank shall remain a System bank, with all of the rights, powers, and privileges thereof, subject to all laws and regulations applicable thereto.*

*“(C) ASSUMPTION OF LIABILITIES AND SALE OF ASSETS.—Following the assumption of all or substantially all of the liabilities of the bridge System bank, or the sale of all or substantially all of the assets of the bridge System bank, as provided in paragraph (9)(C), at the election of the Corporation, the bridge System bank may retain its status as such for the period provided in paragraph (8).*

*“(D) AMENDMENTS TO CHARTER.—Following the consummation of a transaction described in subparagraph (A), (B), or (C) of paragraph (9), the charter of the resulting System institution shall be amended by the Farm Credit Administration to reflect the termination of bridge System bank status, if appropriate.*

*“(11) DISSOLUTION OF BRIDGE SYSTEM BANK.—*

*“(A) IN GENERAL.—Notwithstanding any other provision of State or Federal law, if the bridge System bank’s status as such has not previously been terminated by the occurrence of an event specified in subparagraph (A), (B), or (C) of paragraph (9)—*

*“(i) the Corporation, after consultation with the Farm Credit Administration, may, in its discretion, dissolve a bridge System bank in accordance with this paragraph at any time; and*

*“(ii) the Corporation, after consultation with the Farm Credit Administration, shall promptly commence dissolution proceedings in accordance with this paragraph upon the expiration of the 2-year period following the date the bridge System bank was chartered, or any extension thereof, as provided in paragraph (8).*

*“(B) PROCEDURES.—The Farm Credit Administration Board shall appoint the Corporation as receiver for a bridge System bank upon determining to dissolve the bridge System bank. The Corporation as such receiver shall wind up the affairs of the bridge System bank in conformity with the provisions of law relating to the liquidation of closed System banks. With respect to any such bridge System bank, the Corporation as such receiver shall have all the rights, powers, and privileges and shall perform the duties related to the exercise of such rights, powers, or privileges granted by law to a receiver of any insured System bank and, notwithstanding any other provision of law in the exercise of such rights, powers, and privileges, the Corporation shall not be subject to the direction or supervision of any State agency or other Federal agency.*

*“(12) MULTIPLE BRIDGE SYSTEM BANKS.—The Corporation may, in the Corporation’s discretion, organize, and the Farm*



*Credit Administration may, in its discretion, charter, 2 or more bridge System banks under this subsection to assume any liabilities and purchase any assets of a single System institution in default.*

*“(i) CERTAIN SALES OF ASSETS PROHIBITED.—*

*“(1) PERSONS WHO ENGAGED IN IMPROPER CONDUCT WITH, OR CAUSED LOSSES TO, SYSTEM INSTITUTIONS.—The Corporation shall prescribe regulations which, at a minimum, shall prohibit the sale of assets of a failed System institution by the Corporation to—*

*“(A) any person who—*

*“(i) has defaulted, or was a member of a partnership or an officer or director of a corporation that has defaulted, on 1 or more obligations the aggregate amount of which exceed \$1,000,000, to such failed System institution;*

*“(ii) has been found to have engaged in fraudulent activity in connection with any obligation referred to in clause (i); and*

*“(iii) proposes to purchase any such asset in whole or in part through the use of the proceeds of a loan or advance of credit from the Corporation or from any System institution for which the Corporation has been appointed as conservator or receiver;*

*“(B) any person who participated, as an officer or director of such failed System institution or of any affiliate of such System institution, in a material way in transactions that resulted in a substantial loss to such failed System institution;*

*“(C) any person who has been removed from, or prohibited from participating in the affairs of, such failed System institution pursuant to any final enforcement action by the Farm Credit Administration;*

*“(D) any person who has demonstrated a pattern or practice of defalcation regarding obligations to such failed System institution; or*

*“(E) any person who is in default on any loan or other extension of credit from such failed System institution which, if not paid, will cause substantial loss to the System institution or the Corporation.*

*“(2) DEFAULTED DEBTORS.—Except as provided in paragraph (3), any person who is in default on any loan or other extension of credit from the System institution, which, if not paid, will cause substantial loss to the System institution or the Corporation, may not purchase any asset from the conservator or receiver.*

*“(3) SETTLEMENT OF CLAIMS.—Paragraph (1) shall not apply to the sale or transfer by the Corporation of any asset of any System institution to any person if the sale or transfer of the asset resolves or settles, or is part of the resolution or settlement, of—*

*“(A) 1 or more claims that have been, or could have been, asserted by the Corporation against the person; or*

*“(B) obligations owed by the person to any System institution, or the Corporation.*

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“(4) *DEFINITION OF DEFAULT.*—For purposes of this subsection, the term ‘default’ means a failure to comply with the terms of a loan or other obligation to such an extent that the property securing the obligation is foreclosed upon.

“(j) *EXPEDITED PROCEDURES FOR CERTAIN CLAIMS.*—

“(1) *TIME FOR FILING NOTICE OF APPEAL.*—The notice of appeal of any order, whether interlocutory or final, entered in any case brought by the Corporation against a System institution’s director, officer, employee, agent, attorney, accountant, or appraiser or any other person employed by or providing services to a System institution shall be filed not later than 30 days after the date of entry of the order. The hearing of the appeal shall be held not later than 120 days after the date of the notice of appeal. The appeal shall be decided not later than 180 days after the date of the notice of appeal.

“(2) *SCHEDULING.*—A court of the United States shall expedite the consideration of any case brought by the Corporation against a System institution’s director, officer, employee, agent, attorney, accountant, or appraiser or any other person employed by or providing services to a System institution. As far as practicable the court shall give such case priority on its docket.

“(3) *JUDICIAL DISCRETION.*—The court may modify the schedule and limitations stated in paragraphs (1) and (2) in a particular case, based on a specific finding that the ends of justice that would be served by making such a modification would outweigh the best interest of the public in having the case resolved expeditiously.

“(k) *BOND NOT REQUIRED; AGENTS; FEE.*—The Corporation as conservator or receiver of a System institution shall not be required to furnish bond and may appoint an agent or agents to assist in its duties as such conservator or receiver. All fees, compensation, and expenses of liquidation and administration shall be fixed by the Corporation and may be paid by it out of funds coming into its possession as such conservator or receiver.

“(l) *CONSULTATION REGARDING CONSERVATORSHIPS AND RECEIVERSHIPS.*—To the extent practicable—

“(1) the Farm Credit Administration shall consult with the Corporation prior to taking a preresolution action concerning a System institution that may result in a conservatorship or receivership; and

“(2) the Corporation, acting in the capacity of the Corporation as a conservator or receiver, shall consult with the Farm Credit Administration prior to taking any significant action impacting System institutions or service to System borrowers.

“(m) *APPLICABILITY.*—This section shall become applicable with respect to the power of the Corporation to act as a conservator or receiver on the date on which the Farm Credit Administration appoints the Corporation as a conservator or receiver under section 4.12 or 8.41.”

**SEC. 5413. REPORTING.**

(a) *DEFINITION OF FARM LOAN.*—In this section, the term “farm loan” means—

(1) a farm ownership loan under subtitle A of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922 et seq.); and

(2) *an operating loan under subtitle B of that Act (7 U.S.C. 1941 et seq.).*

(b) *REPORTS.—*

(1) *PREPARATION.—For each fiscal year, the Secretary shall prepare a report that includes—*

(A) *aggregate data based on a review of each outstanding farm loan made or guaranteed by the Secretary describing, for the United States and for each State and county in the United States—*

(i) *the age of the recipient producer;*

(ii) *the duration that the recipient producer has engaged in agricultural production;*

(iii) *the size of the farm or ranch of the recipient producer;*

(iv) *the race, ethnicity, and gender of the recipient producer;*

(v) *the agricultural commodity or commodities, or type of enterprise, for which the loan was secured;*

(vi) *the amount of the farm loan made or guaranteed;*

(vii) *the type of the farm loan made or guaranteed;*

and  
(viii) *the default rate of the farm loan made or guaranteed;*

(B) *for each State and county in the United States, data demonstrating the number of outstanding farm loans made or guaranteed, according to loan size cohort; and*

(C) *an assessment of actual loans made or guaranteed as measured against target participation rates for beginning and socially disadvantaged farmers, broken down by State, as described in sections 346(b)(2) and 355 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1994(b)(2), 2003).*

(2) *SUBMISSION OF REPORT.—The report described in paragraph (1) shall be—*

(A) *submitted—*

(i) *to—*

(I) *the Committee on Agriculture of the House of Representatives;*

(II) *the Committee on Appropriations of the House of Representatives;*

(III) *the Committee on Agriculture, Nutrition, and Forestry of the Senate; and*

(IV) *the Committee on Appropriations of the Senate; and*

(ii) *not later than December 30, 2019, and annually thereafter; and*

(B) *made publicly available not later than 90 days after the date described in subparagraph (A)(ii).*

(c) *COMPREHENSIVE REVIEW.—*

(1) *IN GENERAL.—Not later than 4 years after the date of enactment of this Act (and every 5 years thereafter), the Secretary shall—*

(A) *prepare a comprehensive review of all reports submitted under subsection (b)(2);*

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(B) identify trends within data outlined in subsection (b)(1), including the extent to which target annual participation rates for beginning and socially disadvantaged farmers (as defined by the Secretary) are being met for each loan type; and

(C) provide specific actions the Department will take to improve the performance of direct and guaranteed loans with respect to underserved producers and any recommendations the Secretary may make for further congressional action.

(2) **SUBMISSION OF COMPREHENSIVE REVIEW.**—The comprehensive review described in paragraph (1) shall be—

(A) submitted to—

(i) the Committee on Agriculture of the House of Representatives;

(ii) the Committee on Appropriations of the House of Representatives;

(iii) the Committee on Agriculture, Nutrition, and Forestry of the Senate; and

(iv) the Committee on Appropriations of the Senate; and

(B) made publicly available not later than 90 days after the date of submission under subparagraph (A).

(d) **PRIVACY.**—In preparing any report or review under this section, the Secretary shall aggregate or de-identify the data in a manner sufficient to ensure that the identity of a recipient producer associated with the data cannot be ascertained.

**SEC. 5414. STUDY ON LOAN RISK.**

(a) **STUDY.**—The Farm Credit Administration shall conduct a study that—

(1) analyzes and compares the financial risks inherent in loans made, held, securitized, or purchased by Farm Credit banks, associations, and the Federal Agricultural Mortgage Corporation and how such risks are required to be capitalized under statute and regulations in effect as of the date of the enactment of this Act; and

(2) assesses the feasibility of increasing the acreage exception provided in section 8.8(c)(2) of the Farm Credit Act of 1971 to 2,000 acres.

(b) **TIMELINE.**—The Farm Credit Administration shall provide the results of the study required by subsection (a) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate no later than 180 days after the date of the enactment of this Act.

**SEC. 5415. GAO REPORT ON ABILITY OF THE FARM CREDIT SYSTEM TO MEET THE AGRICULTURAL CREDIT NEEDS OF INDIAN TRIBES AND THEIR MEMBERS.**

(a) **IN GENERAL.**—The Comptroller General of the United States shall—

(1) study the agricultural credit needs of farms, ranches, and related agricultural businesses that are owned or operated by—

(A) Indian tribes on tribal lands; or

(B) enrolled members of Indian tribes on Indian allotments; and

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(2) determine whether the institutions of the Farm Credit System have sufficient authority and resources to meet the needs.

(b) *DEFINITION OF INDIAN TRIBE.*—In subsection (a), the term “Indian tribe” means an Indian tribal entity that is eligible for funding and services from the Bureau of Indian Affairs by virtue of the status of the entity as an Indian tribe.

(c) *REPORT TO THE CONGRESS.*—Within 90 days after the date of the enactment of this Act, the Comptroller General of the United States shall prepare and submit to the Committees on Agriculture and on Natural Resources of the House of Representatives a written report that contains the findings of the study conducted under subsection (a). If the Comptroller General finds that the institutions of the Farm Credit System do not have sufficient authority or resources to meet the needs referred to in subsection (a), the report shall include such legislative and other recommendations as the Comptroller General determines would result in a system under which the needs are met in an equitable and effective manner.

**SEC. 5416. GAO REPORT ON CREDIT SERVICE TO SOCIALLY DISADVANTAGED FARMERS AND RANCHERS.**

(a) *DEFINITIONS.*—In this section:

(1) *AGRICULTURAL CREDIT PROVIDER.*—The term “agricultural credit provider” means—

- (A) a Farm Credit System institution;
- (B) a commercial bank;
- (C) the Federal Agricultural Mortgage Corporation;
- (D) a life insurance company; and
- (E) any other individual or entity, as determined by the Comptroller General of the United States.

(2) *SOCIALLY DISADVANTAGED FARMER OR RANCHER.*—The term “socially disadvantaged farmer or rancher” has the meaning given the term in section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e)).

(b) *STUDY.*—The Comptroller General of the United States shall—

(1) conduct a study—

(A) to assess the credit and related services provided by agricultural credit providers to socially disadvantaged farmers and ranchers;

(B) to review the overall participation of socially disadvantaged farmers and ranchers in the services described in subparagraph (A); and

(C) to identify barriers that limit the availability of agricultural credit to socially disadvantaged farmers and ranchers; and

(2) provide recommendations on how agricultural credit providers may improve outreach to socially disadvantaged farmers and ranchers relating to the availability of credit and related services.

(c) *REPORT.*—Not later than 120 days after the date of enactment of this Act, the Comptroller General of the United States shall prepare and submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that contains the findings of the



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*study conducted under subsection (b)(1) and the recommendations described in subsection (b)(2).*

## **TITLE VI—RURAL DEVELOPMENT**

### **Subtitle A—Improving Health Outcomes in Rural America**

#### **SEC. 6101. COMBATING SUBSTANCE USE DISORDER IN RURAL AMERICA; PRIORITIZATIONS.**

##### **(a) COMBATING SUBSTANCE USE DISORDER IN RURAL AMERICA.—**

**(1) PRIORITIZATIONS.—***The Secretary shall make the following prioritizations and set asides for fiscal years 2019 through 2025:*

##### **(A) DISTANCE LEARNING AND TELEMEDICINE.—**

**(i) SUBSTANCE USE DISORDER SET-ASIDE.—***Subject to clause (ii), the Secretary shall make available not less than 20 percent of amounts made available under section 2335A of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 950aaa-2) for financial assistance under chapter 1 of subtitle D of title XXIII of such Act for telemedicine projects that provide substance use disorder treatment services.*

**(ii) EXCEPTION.—***In the case of a fiscal year for which the Secretary determines that there are not sufficient qualified applicants to receive financial assistance for projects providing substance use disorder treatment services to reach the 20-percent requirement under clause (i), the Secretary may make available less than 20 percent of amounts made available under such section 2335A for those services.*

##### **(B) COMMUNITY FACILITIES DIRECT LOANS AND GRANTS.—**

**(i) SUBSTANCE USE DISORDER SELECTION PRIORITY.—***In selecting recipients of direct loans or grants for the development of essential community facilities under section 306(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)), the Secretary shall give priority to entities eligible for those direct loans or grants—*

**(I) to develop facilities to provide substance use disorder (including opioid substance use disorder)—**

**(aa) prevention services;**

**(bb) treatment services;**

**(cc) recovery services; or**

**(dd) any combination of those services;**

**and**

**(II) that employ staff that have appropriate expertise and training in how to identify and treat individuals with substance use disorders.**

**(ii) USE OF FUNDS.—***An eligible entity described in clause (i) that receives a direct loan or grant described*



*in that clause may use the direct loan or grant funds for the development of telehealth facilities and systems to provide telehealth services for substance use disorder treatment.*

**(C) RURAL HEALTH AND SAFETY EDUCATION PROGRAMS; SUBSTANCE USE DISORDER SELECTION PRIORITY.**—*In making grants under section 502(i) of the Rural Development Act of 1972 (7 U.S.C. 2662(i)), the Secretary shall give priority to an applicant that will use the grant for substance use disorder education and treatment and the prevention of substance use disorder.*

**(2) LIMITATION ON OTHER REPRIORITIZATIONS.**—*For fiscal years 2019 through 2025, the Secretary shall not make any national reprioritizations within the Rural Health and Safety Education Programs, the Community Facilities direct loan and grant programs, or the Distance Learning and Telemedicine programs under section 608 of the Rural Development Act of 1972.*

**(3) TECHNICAL AMENDMENTS.**—*Title V of the Rural Development Act of 1972 (7 U.S.C. 2661 et seq.) is amended—*

*(A) in section 502, in the matter preceding subsection (a), by inserting “(referred to in this title as the ‘Secretary’)” after “Agriculture”; and*

*(B) by striking “Secretary of Agriculture” each place it appears (other than in section 502 in the matter preceding subsection (a)) and inserting “Secretary”.*

**(b) TEMPORARY PRIORITIZATION OF RURAL HEALTH ASSISTANCE.**—*Title VI of the Rural Development Act of 1972 (7 U.S.C. 2204a–2204b) is amended by adding at the end the following:*

**“SEC. 608. TEMPORARY PRIORITIZATION OF RURAL HEALTH ASSISTANCE.**

*“(a) AUTHORITY TO TEMPORARILY PRIORITIZE CERTAIN RURAL DEVELOPMENT APPLICATIONS.*—*Notwithstanding any other provision of law, the Secretary, after consultation with such public health officials as may be necessary, may announce through a Federal Register notice pursuant to section 553(b)(3)(B) of title 5, United States Code, a temporary reprioritization, on a national or multistate basis, for certain rural development loan and grant applications to assist rural communities in responding to a significant public health disruption.*

*“(b) PUBLIC HEALTH DISRUPTION.*—*For the purposes of this section, the term ‘public health disruption’ means an unanticipated increase in mortality or morbidity in rural communities, when compared to non-rural communities, caused by identifiable events, actions, or behavioral trends, which can be remediated by the programs of the Rural Development mission area. When measuring a public health disruption, the Secretary may analyze data on a national or multi-state basis.*

*“(c) CONTENT OF ANNOUNCEMENT.*—*In the announcement, the Secretary shall—*

*“(1) describe the nature of the public health disruption, including the causes, effects, affected populations, and affected States;*

*“(2) explain how the programs of the Department of Agriculture will work in remedying the public health disruption;*

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“(3) identify the services, treatments, or infrastructure best suited to address the public health disruption;

“(4) establish—

“(A) the start and end dates of the reprioritization;

“(B) the programs subject to reprioritization and the modifications to the application process;

“(C) the process for making reprioritizations for applicable programs;

“(D) the amount of funds set-aside for applicable programs, except that a set-aside for such a program shall not be greater than 20 percent of the amounts appropriated for the program for the fiscal year involved; and

“(E) the region in which the reprioritization is in effect; and

“(5) instruct program administrators to implement the reprioritization during the application window or announcement after the announcement takes effect.

“(d) **LIMITATIONS ON REPRIORITIZATIONS.**—When announcing the reprioritization, the Secretary shall—

“(1) establish an initial total time period of less than 4 years, except as provided for in subsection (e);

“(2) implement only 1 nationally applicable reprioritization at a time;

“(3) implement only 1 regionally applicable reprioritization per State at a time; and

“(4) not use reprioritizations to allocate additional funds to an affected State.

“(e) **EXTENSION.**—The Secretary may extend an announcement under subsection (a) for no more than 6 years in total, except that nothing shall prevent the Secretary from renewing reprioritizations by making a new announcement under subsection (a).

“(f) **RESCINDING THE ANNOUNCEMENT.**—The Secretary may rescind a reprioritization announcement made under subsection (a) at any time the Secretary determines that the temporary reprioritizations are no longer needed or effective.

“(g) **NOTICE.**—Not later than 48 hours after making, extending, or rescinding an announcement under this section, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, and transmit to the Secretary of Health and Human Services, a written notice of the declaration, extension, or rescission.”

**SEC. 6102. DISTANCE LEARNING AND TELEMEDICINE.**

(a) **AUTHORIZATION OF APPROPRIATIONS.**—Section 2335A of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 950aaa–5) is amended by striking “\$75,000,000 for each of fiscal years 2014 through 2018” and inserting “\$82,000,000 for each of fiscal years 2019 through 2023”.

(b) **CONFORMING AMENDMENT.**—Section 1(b) of Public Law 102–551 (7 U.S.C. 950aaa note) is amended by striking “2018” and inserting “2023”.

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**SEC. 6103. REFINANCING OF CERTAIN RURAL HOSPITAL DEBT.**

*Subtitle D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981 et seq.) is amended by inserting after section 341 the following:*

**“SEC. 342. REFINANCING OF CERTAIN RURAL HOSPITAL DEBT.**

*“Assistance under section 306(a) for a community facility, or under section 310B, may include the refinancing of a debt obligation of a rural hospital as an eligible loan or loan guarantee purpose if the assistance would help preserve access to a health service in a rural community, meaningfully improve the financial position of the hospital, and otherwise meet the financial feasibility and adequacy of security requirements of the Rural Development Agency.”.*

## ***Subtitle B—Connecting Rural Americans to High Speed Broadband***

**SEC. 6201. ACCESS TO BROADBAND TELECOMMUNICATIONS SERVICES IN RURAL AREAS.**

*Section 601 of the Rural Electrification Act of 1936 (7 U.S.C. 950bb) is amended—*

*(1) in subsection (a), by striking “provide loans and loan guarantees” and inserting “provide grants, provide loans, and provide loan guarantees”;*

*(2) in subsection (b)(3)(A)(ii), by inserting “in the case of a grant or direct loan,” before “a city”;*

*(3) in subsection (c)—*

*(A) in the subsection heading, by striking “LOANS AND” and inserting “GRANTS, LOANS, AND”;*

*(B) in paragraph (1), by striking “shall make or guarantee loans” and inserting “shall make grants, shall make loans, and shall guarantee loans”;*

*(C) by striking paragraph (2) and inserting the following:*

*“(2) PRIORITY.—*

*“(A) IN GENERAL.—In making grants, making loans, and guaranteeing loans under paragraph (1), the Secretary shall—*

*“(i) give the highest priority to applications for projects to provide broadband service to unserved rural communities that do not have any residential broadband service of at least—*

*“(I) a 10-Mbps downstream transmission capacity; and*

*“(II) a 1-Mbps upstream transmission capacity;*

*“(ii) give priority to applications for projects to provide the maximum level of broadband service to the greatest proportion of rural households in the proposed service area identified in the application;*

*“(iii) provide equal consideration to all eligible entities, including those that have not previously received grants, loans, or loan guarantees under paragraph (1); and*

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*“(iv) with respect to 2 or more applications that are given the same priority under clause (i), give priority to an application that requests less grant funding than loan funding.*

*“(B) OTHER.—After giving priority to the applications described in clauses (i) and (ii) of subparagraph (A), the Secretary shall then give priority to applications—*

*“(i) for projects to provide broadband service to rural communities—*

*“(I) with a population of less than 10,000 permanent residents;*

*“(II) that are experiencing outmigration and have adopted a strategic community investment plan under section 379H(d) that includes considerations for improving and expanding broadband service;*

*“(III) with a high percentage of low income families or persons (as defined in section 501(b) of the Housing Act of 1949 (42 U.S.C. 1471(b)));*

*“(IV) that are isolated from other significant population centers; or*

*“(V) that provide rapid and expanded deployment of fixed and mobile broadband on cropland and rangeland within a service territory for use in various applications of precision agriculture; and*

*“(ii) that were developed with the participation of, and will receive a substantial portion of the funding for the project from, 2 or more stakeholders, including—*

*“(I) State, local, and tribal governments;*

*“(II) nonprofit institutions;*

*“(III) community anchor institutions, such as—*

*“(aa) public libraries;*

*“(bb) elementary schools and secondary schools (as defined in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801));*

*“(cc) institutions of higher education; and*

*“(dd) health care facilities;*

*“(IV) private entities;*

*“(V) philanthropic organizations; and*

*“(VI) cooperatives.*

*“(3) GRANT AMOUNTS.—*

*“(A) DEFINITION OF DEVELOPMENT COSTS.—In this paragraph, the term ‘development costs’ means costs of—*

*“(i) construction, including labor and materials;*

*“(ii) project applications; and*

*“(iii) other development activities, as determined by the Secretary.*

*“(B) ELIGIBILITY.—To be eligible for a grant under this section, in addition to the requirements of subsection (d), the project that is the subject of the grant shall—*

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“(i) be carried out in a proposed service territory in which not less than 90 percent of the households are unserved; and

“(ii) not concurrently receive any other broadband grant administered by the Rural Utilities Service.

“(C) MAXIMUM.—Except as provided in subparagraph (D), the amount of any grant made under this section shall not exceed—

“(i) 75 percent of the total project cost with respect to an area with a density of fewer than 7 people per square mile;

“(ii) 50 percent of the total project cost with respect to an area with a density of 7 or more and fewer than 12 people per square mile; and

“(iii) 25 percent of the total project cost with respect to an area with a density of 12 or more and 20 or fewer people per square mile.

“(D) SECRETARIAL AUTHORITY TO ADJUST.—The Secretary may—

“(i) make grants of up to 75 percent of the development costs of the project for which the grant is provided to an eligible entity if the Secretary determines that the project serves—

“(I) an area of rural households described in paragraph (2)(A)(i); or

“(II) a rural community described in any of subclauses (I) through (IV) of paragraph (2)(B)(i); and

“(ii) make modifications of the density thresholds described in subparagraph (C), in order to ensure that funds provided under this section are best utilized to provide broadband service in communities that are the most rural in character.

“(E) APPLICATIONS.—The Secretary shall establish an application process for grants under this section that—

“(i) permits a single application for a grant and a loan under title I, II, or this title that is associated with such grant; and

“(ii) provides a single decision to award such grant and such loan.

“(F) DENSITY DETERMINATIONS.—When determining population density under this section, the Secretary shall prescribe a calculation method which—

“(i) utilizes publicly available data; and

“(ii) includes only those areas in which the applicant is able to meet the service requirements under this section, as determined by the Secretary.

“(4) FEES.—In the case of loan guarantees issued or modified under this section, the Secretary shall charge and collect from the lender fees in such amounts as to bring down the costs of subsidies for guaranteed loans, except that such fees shall not act as a bar to participation in the programs nor be inconsistent with current practices in the marketplace.”;

(4) in subsection (d)—

(A) in paragraph (1)—



(i) in subparagraph (A)—

(I) in the matter preceding clause (i), by striking “loan or” and inserting “grant, loan, or”;

(II) by striking clause (i) and inserting the following:

“(i) demonstrate the ability to furnish or improve service in order to meet the broadband buildout requirements established under subsection (e)(4) in all or part of an unserved or underserved rural area.”;

(III) in clause (ii), by striking “a loan application” and inserting “an application”; and

(IV) in clause (iii)—

(aa) by striking “service” and inserting “infrastructure”;

(bb) by striking “loan” the first place it appears;

(cc) by striking “3” and inserting “5”; and

(dd) by striking “proceeds from the loan made or guaranteed under this section are” and inserting “assistance under this section is”; and

(ii) in subparagraph (B), by striking “(k)” and inserting “(j)”; and

(B) in paragraph (2)(A)—

(i) in the matter preceding clause (i)—

(I) by striking “the proceeds of a loan made or guaranteed” and inserting “assistance”; and

(II) by striking “for the loan or loan guarantee” and inserting “of the eligible entity”; and

(ii) in clause (i)—

(I) by striking “15 percent” and inserting “50 percent (in the case of loans or loan guarantees provided in accordance with subsection (g)(1)(A))”; and

(II) by striking “level of broadband service” and inserting “level of fixed broadband service, whether terrestrial or wireless.”;

(C) in paragraph (3)(A), by striking “loan or” and inserting “grant, loan, or”;

(D) in paragraph (4), by striking “a loan or loan guarantee” and inserting “assistance”; and

(E) by striking paragraphs (5) through (10) and inserting the following:

“(5) TECHNICAL ASSISTANCE AND TRAINING.—

“(A) IN GENERAL.—The Secretary may provide to eligible entities described in paragraph (1) that are applying for assistance under this section for a project described in subsection (c)(2)(A)(i) technical assistance and training—

“(i) to prepare reports and surveys necessary to request grants, loans, and loan guarantees under this section for broadband deployment;

“(ii) to improve management, including financial management, relating to the proposed broadband deployment;



“(iii) to prepare applications for grants, loans, and loan guarantees under this section; or

“(iv) to assist with other areas of need identified by the Secretary.

“(B) FUNDING.—Not less than 3 percent and not more than 5 percent of amounts appropriated to carry out this section for a fiscal year shall be used for technical assistance and training under this paragraph.”;

(5) in subsection (e)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking “4-Mbps” and inserting “25-Mbps”; and

(ii) in subparagraph (B), by striking “1-Mbps” and inserting “3-Mbps”;

(B) in paragraph (2)—

(i) by—

(I) striking the following:

“(2) ADJUSTMENTS.—

“(A) IN GENERAL.—At”; and

(II) inserting the following:

“(2) ADJUSTMENTS.—At”;

(ii) by inserting “and broadband buildout requirements under paragraph (4)” after “(1)”; and

(iii) by striking subparagraph (B); and

(C) by adding at the end the following:

“(4) BROADBAND BUILDOUT REQUIREMENTS.—

“(A) IN GENERAL.—The term ‘broadband buildout requirement’ means the level of internet service an applicant receiving assistance under this section must agree, at the time the application is finalized, to provide for the duration of any project-related agreement between the applicant and the Department.

“(B) BROADBAND BUILDOUT REQUIREMENTS FURTHER DEFINED.—Subject to subparagraph (C), the Secretary shall establish broadband buildout requirements for projects with agreement lengths of—

“(i) 5 to 10 years;

“(ii) 11 to 15 years;

“(iii) 16 to 20 years; and

“(iv) more than 20 years.

“(C) REQUIREMENTS.—In establishing the broadband buildout requirements under subparagraph (B), the Secretary shall—

“(i) utilize the same metrics used to define the minimum acceptable level of broadband service under paragraph (1);

“(ii) establish such requirements to reasonably ensure—

“(I) the repayment of all loans and loan guarantees; and

“(II) the financed network is technically capable of providing broadband service for the lifetime of any project-related agreement.

“(D) SUBSTITUTE SERVICE STANDARDS FOR UNIQUE SERVICE TERRITORIES.—If an applicant shows that it would

*be cost prohibitive to meet the broadband buildout requirements established under this paragraph for the entirety of a proposed service territory due to the unique characteristics of the proposed service territory, the Secretary and the applicant may agree to utilize substitute standards for any unserved portion of the project. Any substitute service standards should continue to consider the best technology available to meet the needs of the residents in the unserved area.”;*

*(6) in subsection (f), by striking “make a loan or loan guarantee” and inserting “provide assistance”;*

*(7) in subsection (g), by striking paragraph (2) and redesignating paragraph (3) as paragraph (2);*

*(8) by striking subsections (i) and (j) and inserting the following:*

*“(i) PAYMENT ASSISTANCE FOR CERTAIN LOAN AND GRANT RECIPIENTS.—*

*“(1) USE OF GRANT FUNDS.—The Secretary may use the funds appropriated for a grant under this title for the cost (as defined by section 502 of the Congressional Budget Act of 1974) of providing assistance under paragraph (2).*

*“(2) PAYMENT ASSISTANCE.—When providing a grant under this title, the Secretary, at the sole discretion of the Secretary, may make—*

*“(A) a subsidized loan, which shall bear a reduced interest rate at such a rate as the Secretary determines appropriate to meet the objectives of the program; or*

*“(B) a payment assistance loan, which shall—*

*“(i) require no interest and principal payments while the borrower is—*

*“(I) in material compliance with the loan agreement; and*

*“(II) meeting the milestones and objectives of the project agreed to under paragraph (3); and*

*“(ii) require such nominal periodic payments as the Secretary determines to be appropriate.*

*“(3) AGREEMENT ON MILESTONES AND OBJECTIVES.—With respect to payment assistance provided under paragraph (2), before entering into the agreement under which the payment assistance will be provided, the applicant and the Secretary shall agree to milestones and objectives of the project.*

*“(4) AMENDMENT OF MILESTONES AND OBJECTIVES.—The Secretary and the applicant may jointly agree to amend the milestones and objectives agreed to under paragraph (3).*

*“(5) CONSIDERATIONS.—When deciding to utilize the payment assistance authority under paragraph (2) the Secretary shall consider whether or not the payment assistance will—*

*“(A) improve the compliance of the grantee with any commitments made through the grant agreement;*

*“(B) promote the completion of the broadband project;*

*“(C) protect taxpayer resources; and*

*“(D) support the integrity of the broadband programs administered by the Secretary.*

*“(6) LIMITATIONS ON PAYMENT ASSISTANCE.—The Secretary may not make a payment assistance loan under paragraph*

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(2)(B) to an entity receiving a grant under this section that is also the recipient of a loan under title I or II that is associated with such grant.”;

(9) in subsection (k)(1)—

(A) by striking “\$25,000,000” and inserting “\$350,000,000”; and

(B) by striking “2008 through 2018” and inserting “2019 through 2023”;

(10) in subsection (l)—

(A) by striking “loan or” and inserting “grant, or loan, or”; and

(B) by striking “2018” and inserting “2023”; and

(11) by redesignating subsections (k) and (l) as subsections (j) and (k), respectively.

**SEC. 6202. EXPANSION OF MIDDLE MILE INFRASTRUCTURE INTO RURAL AREAS.**

Section 602 of the Rural Electrification Act of 1936 (7 U.S.C. 950bb–1) is amended to read as follows:

**“SEC. 602. EXPANSION OF MIDDLE MILE INFRASTRUCTURE INTO RURAL AREAS.**

“(a) **PURPOSE.**—The purpose of this section is to encourage the expansion and extension of middle mile broadband infrastructure to connect underserved rural areas to the backbone of the Internet.

“(b) **MIDDLE MILE INFRASTRUCTURE.**—For the purposes of this section, the term ‘middle mile infrastructure’ means any broadband infrastructure that does not connect directly to end-user locations (including anchor institutions) and may include interoffice transport, backhaul, Internet connectivity, data centers, or special access transport to rural areas.

“(c) **GRANTS, LOANS, AND LOAN GUARANTEES.**—The Secretary shall make grants, loans, and loan guarantees to eligible applicants described in subsection (d) to provide funds for the construction, improvement, or acquisition of middle mile infrastructure to serve rural areas.

“(d) **ELIGIBILITY.**—

“(1) **ELIGIBLE APPLICANTS.**—

“(A) **IN GENERAL.**—To be eligible to obtain assistance under this section, an eligible entity shall—

“(i) submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require;

“(ii) agree to complete build-out of the middle mile infrastructure described in the application by not later than 5 years after the initial date on which proceeds from the assistance provided under this section are made available; and

“(iii) submit to the Secretary a plan to ensure the viability of the project by—

“(I) connecting, assisting with connecting, or enabling the connection of retail broadband systems that serve rural areas within the proposed service territory to the middle mile infrastructure project in an affordable and economically competitive manner;

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“(II) leasing or selling sufficient capacity prior to project approval; and

“(III) complying with any other requirements imposed by the Secretary.

“(B) **ADDITIONAL END USER BROADBAND PROGRAMS.**—

*Entities that receive assistance to construct, improve, or acquire middle mile infrastructure under this section shall be eligible to apply for additional funds under this title to provide for retail broadband service to end users.*

“(2) **ELIGIBLE SERVICE TERRITORIES.**—*The proceeds of assistance provided under this section may be used to carry out a project in a proposed service territory only if, as of the date the application for assistance under this section is submitted, there is not adequate middle mile infrastructure available to support broadband service for eligible rural communities that would be provided access to the middle mile infrastructure.*

“(3) **ELIGIBLE PROJECTS.**—*A project shall be eligible for assistance under this section if at the time of the application—*

“(A) *at least 75 percent of the interconnection points serve such eligible rural areas; and*

“(B) *the Secretary determines that the proposed middle mile network will be capable of supporting retail broadband service meeting the maximum broadband build-out requirement established under section 601(e)(4) for the residents within the proposed service territory.*

“(e) **LIMITATION ON GRANTS.**—*In making grants under this section, the Secretary shall—*

“(1) *not provide any grant in excess of 20 percent of the total project cost; and*

“(2) *provide grants only to those projects which serve rural areas where population density or geographic characteristics make it infeasible to construct middle mile broadband systems without grant assistance.*

“(f) **TERMS, CONDITIONS, AND ADEQUACY OF SECURITY.**—*All loans and loan guarantees provided under this section shall be made subject to such terms, conditions, and adequacy of security requirements as may be imposed by the Secretary. If the middle mile infrastructure would not provide adequate security due to long-term leasing arrangements, the Secretary shall require substitute security in such form and substance as are acceptable to the Secretary.*

“(g) **AUTHORIZATION OF APPROPRIATIONS.**—*There is authorized to be appropriated to carry out this section \$10,000,000 for each of fiscal years 2018 through 2023.*”.

**SEC. 6203. MODIFICATIONS TO THE RURAL GIGABIT PROGRAM.**

*Section 603 of the Rural Electrification Act of 1936 (7 U.S.C. 950bb-2) is amended—*

(1) *in the section heading, by striking “RURAL GIGABIT NETWORK PILOT” and inserting “INNOVATIVE BROADBAND ADVANCEMENT”;*

(2) *in subsection (d), by striking “2014 through 2018” and inserting “2019 through 2023”;*

(3) *by redesignating subsection (d) as subsection (e); and*

(4) *by striking subsections (a) through (c) and inserting the following:*

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“(a) *IN GENERAL.*—The Secretary shall establish a program to be known as the ‘Innovative Broadband Advancement Program’, under which the Secretary may provide a grant, a loan, or both to an eligible entity for the purpose of demonstrating innovative broadband technologies or methods of broadband deployment that significantly decrease the cost of broadband deployment, and provide substantially faster broadband speeds than are available, in a rural area.

“(b) *RURAL AREA.*—In this section, the term ‘rural area’ has the meaning provided in section 601(b)(3).

“(c) *ELIGIBILITY.*—To be eligible to obtain assistance under this section for a project, an entity shall—

“(1) submit to the Secretary an application—

“(A) that describes a project designed to decrease the cost of broadband deployment, and substantially increase broadband speed to not less than the maximum broadband buildout requirements established under section 601(e)(4), in a rural area to be served by the project; and

“(B) at such time, in such manner, and containing such other information as the Secretary may require;

“(2) demonstrate that the entity is able to carry out the project; and

“(3) agree to complete the project build-out within 5 years after the date the assistance is first provided for the project.

“(d) *PRIORITIZATION.*—In awarding assistance under this section, the Secretary shall give priority to proposals for projects that—

“(1) involve partnerships between or among multiple entities;

“(2) would provide broadband service to the greatest number of rural entities at or above the broadband requirements referred to in subsection (c)(1)(A); and

“(3) the Secretary determines could be replicated in rural areas described in paragraph (2).”.

**SEC. 6204. COMMUNITY CONNECT GRANT PROGRAM.**

Title VI of the Rural Electrification Act of 1936 (7 U.S.C. 950bb et seq.) is amended by adding at the end the following:

**“SEC. 604. COMMUNITY CONNECT GRANT PROGRAM.**

“(a) *DEFINITIONS.*—In this section:

“(1) *ELIGIBLE BROADBAND SERVICE.*—The term ‘eligible broadband service’ means broadband service that has the capability to transmit data at a speed specified by the Secretary, which may not be less than the applicable minimum download and upload speeds established by the Federal Communications Commission in defining the term ‘advanced telecommunications capability’ for purposes of section 706 of the Telecommunications Act of 1996 (47 U.S.C. 1302).

“(2) *ELIGIBLE SERVICE AREA.*—The term ‘eligible service area’ means an area in which broadband service capacity is less than—

“(A) a 10-Mbps downstream transmission capacity; and

“(B) a 1-Mbps upstream transmission capacity.

“(3) *ELIGIBLE ENTITY.*—

“(A) *IN GENERAL.*—The term ‘eligible entity’ means a legally organized entity that—



“(i) is—

“(I) an incorporated organization;

“(II) an Indian Tribe or Tribal organization;

“(III) a State;

“(IV) a unit of local government; or

“(V) any other legal entity, including a cooperative, a private corporation, or a limited liability company, that is organized on a for-profit or a not-for-profit basis; and

“(ii) has the legal capacity and authority to enter into a contract, to comply with applicable Federal laws, and to own and operate broadband facilities, as proposed in the application submitted by the entity for a grant under the Program.

“(B) EXCLUSIONS.—The term ‘eligible entity’ does not include—

“(i) an individual; or

“(ii) a partnership.

“(4) RURAL AREA.—The term ‘rural area’ has the meaning given the term in section 601(b)(3)(A).

“(b) ESTABLISHMENT.—The Secretary shall establish a program, to be known as the ‘Community Connect Grant Program’, to provide grants to eligible entities to finance broadband transmission in rural areas.

“(c) ELIGIBLE PROJECTS.—An eligible entity that receives a grant under the Program shall use the grant to carry out a project that—

“(1) provides eligible broadband service to, within the proposed eligible service area described in the application submitted by the eligible entity—

“(A) each essential community facility as defined pursuant to section 306(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)); and

“(B) any required facilities necessary to offer that eligible broadband service to each residential and business customer within such proposed eligible service area; and

“(2) for not less than 2 years—

“(A) furnishes free eligible broadband service to a community center described in subsection (d)(1)(B);

“(B) provides not fewer than 2 computer access points for that free eligible broadband service; and

“(C) covers the cost of bandwidth to provide free eligible broadband service to each essential community facility that requests broadband services within the proposed eligible service area described in the application submitted by the eligible entity.

“(d) USES OF GRANT FUNDS.—

“(1) IN GENERAL.—An eligible entity that receives a grant under the Program may use the grant for—

“(A) the construction, acquisition, or leasing of facilities (including spectrum), land, or buildings to deploy eligible broadband service; and

“(B) the improvement, expansion, construction, or acquisition of a community center within the proposed eligi-



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ble service area described in the application submitted by the eligible entity.

“(2) *INELIGIBLE USES.*—An eligible entity that receives a grant under the Program shall not use the grant for—

“(A) the duplication of any existing eligible broadband service provided by another entity in the eligible service area; or

“(B) operating expenses, except as provided in—

“(i) subsection (c)(2)(C) with respect to free eligible broadband service; and

“(ii) paragraph (1)(A) with respect to spectrum.

“(3) *FREE ACCESS FOR COMMUNITY CENTERS.*—Of the amounts provided to an eligible entity under a grant under the Program, the eligible entity shall use to carry out paragraph (1)(B) not greater than the lesser of—

“(A) 10 percent; and

“(B) \$150,000.

“(e) *MATCHING FUNDS.*—

“(1) *IN GENERAL.*—An eligible entity that receives a grant under the Program shall provide a cash contribution in an amount that is not less than 15 percent of the amount of the grant.

“(2) *REQUIREMENTS.*—A cash contribution described in paragraph (1)—

“(A) shall be used solely for the project for which the eligible entity receives a grant under the Program; and

“(B) shall not include any Federal funds, unless a Federal statute specifically provides that those Federal funds may be considered to be from a non-Federal source.

“(f) *APPLICATIONS.*—

“(1) *IN GENERAL.*—To be eligible to receive a grant under the Program, an eligible entity shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

“(2) *REQUIREMENT.*—An application submitted by an eligible entity under paragraph (1) shall include documentation sufficient to demonstrate the availability of funds to satisfy the requirement of subsection (e).

“(g) *AUTHORIZATION OF APPROPRIATIONS.*—There is authorized to be appropriated to carry out this section \$50,000,000 for each of fiscal years 2019 through 2023.”.

**SEC. 6205. OUTDATED BROADBAND SYSTEMS.**

(a) *IN GENERAL.*—Title VI of the Rural Electrification Act of 1936 (7 U.S.C. 950bb et seq.) is further amended by adding at the end the following:

**“SEC. 605. OUTDATED BROADBAND SYSTEMS.**

“(a) *IN GENERAL.*—Except as provided in subsection (b), the Secretary shall consider any portion of a service territory that is subject to an outstanding grant agreement between the Secretary and a broadband provider to be unserved for the purposes of all broadband assistance programs under this Act, if the broadband service in that portion of a service territory is less than 10 Mbps downstream transmission capacity or less than 1 Mbps upstream transmission capacity.

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“(b) *EXCEPTION.*—The Secretary shall not consider a portion of a service territory described in subsection (a) to be unserved if the broadband service provider has constructed or begun to construct broadband facilities that meet the minimum acceptable level of service established under section 601(e), in that portion of the service territory.”.

(b) *EFFECTIVE DATE.*—The amendment made by this section shall not take effect until October 1, 2020.

**SEC. 6206. DEFAULT AND DEOBLIGATION; DEFERRAL.**

Title VI of such Act (7 U.S.C. 950bb et seq.) is further amended by adding at the end the following:

**“SEC. 606. DEFAULT AND DEOBLIGATION; DEFERRAL.**

“(a) *DEFAULT AND DEOBLIGATION.*—In addition to other authority under applicable law, the Secretary shall establish written procedures for all broadband programs so that, to the maximum extent practicable, the programs are administered to—

“(1) recover funds from loan and grant defaults;

“(2) deobligate any awards, less allowable costs that demonstrate an insufficient level of performance (including metrics determined by the Secretary) or fraudulent spending, to the extent funds with respect to the award are available in the account relating to the program established by this title;

“(3) award those funds, on a competitive basis, to new or existing applicants consistent with this title; and

“(4) minimize overlap among the programs.

“(b) *DEFERRAL PERIOD.*—In determining the terms and conditions of assistance provided under this title, the Secretary may establish a deferral period of not shorter than the buildout period established for the project involved in order to support the financial feasibility and long-term sustainability of the project.”.

**SEC. 6207. PUBLIC NOTICE, ASSESSMENTS, AND REPORTING REQUIREMENTS.**

The Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) is amended by adding at the end the following new title:

## **“TITLE VII—GENERAL AND ADMINISTRATIVE PROVISIONS**

**“SEC. 701. PUBLIC NOTICE, ASSESSMENTS, AND REPORTING REQUIREMENTS.**

“(a) *NOTICE REQUIREMENTS.*—The Secretary shall promptly make available to the public, a fully searchable database on the website of the Rural Utilities Service that contains information on all retail broadband projects provided assistance or for which assistance is sought that are administered by the Secretary, including, at a minimum—

“(1) notice of each application for assistance describing the application, including—

“(A) the identity of the applicant;

“(B) a description of each application, including—

“(i) a map of the proposed service area of the applicant; and

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- “(ii) the amount and type of support requested by each applicant;
- “(C) the status of each application; and
- “(D) the estimated number and proportion of service points in the proposed service territory without fixed broadband service, whether terrestrial or wireless;
- “(2) notice of each entity receiving assistance administered by the Secretary, including—
- “(A) the name of the entity;
- “(B) the type of assistance being received;
- “(C) the purpose for which the entity is receiving the assistance; and
- “(D) each annual report submitted under subsection (c) (redacted to protect any proprietary information in the report); and
- “(3) such other information as is sufficient to allow the public to understand assistance provided.
- “(b) SERVICE AREA ASSESSMENT.—
- “(1) IN GENERAL.—The Secretary shall, with respect to a retail broadband application for assistance, which is outside an area in which the applicant receives Federal universal service support—
- “(A) after giving notice required by subsection (a)(1), afford service providers not less than 45 days to voluntarily submit information required by the Secretary onto the agency’s online mapping tool with respect to areas that are coterminous with the proposed service area of the application (or any parts thereof), such that the Secretary may assess whether the application submitted meets the eligibility requirements under this title; and
- “(B) if no broadband service provider submits information under paragraph (1), consider the number of providers in the proposed service area to be established by using any other data regarding the availability of broadband service that the Secretary may collect or obtain through reasonable efforts.
- “(2) ASSESSMENT OF UNSERVED COMMUNITIES.—In the case of an application given the highest priority under section 601(c)(2)(A)(i), the Secretary shall confirm that each unserved rural community identified in the application is eligible for funding by—
- “(A) conferring with, and obtaining data from, the Chair of the Federal Communications Commission and the Administrator of the National Telecommunications and Information Administration with respect to the service level in the service area proposed in the application;
- “(B) reviewing any other source that is relevant to service data validation, as determined by the Secretary; and
- “(C) performing site-specific testing to verify the unavailability of any retail broadband service.
- “(3) FOIA EXEMPTION.—For purposes of section 552 of title 5, United States Code, information received by the Secretary pursuant to paragraph (1)(A) of this subsection shall be exempt from disclosure pursuant to subsection (b)(2)(B) of such section 552.

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*“(c) REPORTING BROADBAND IMPROVEMENTS TO USDA.—**“(1) IN GENERAL.—The Secretary shall require any entity receiving assistance for a project which provides retail broadband service to submit an annual report for 3 years after completion of the project, in a format specified by the Secretary, that describes—**“(A) the use by the entity of the assistance, including new equipment and capacity enhancements that support high-speed broadband access for educational institutions, health care providers, and public safety service providers (including the estimated number of end users who are currently using or forecasted to use the new or upgraded infrastructure); and**“(B) the progress towards fulfilling the objectives for which the assistance was granted, including—**“(i) the number of service points that will receive new broadband service, existing network service improvements, and facility upgrades resulting from the Federal assistance;**“(ii) the speed of broadband service;**“(iii) the average price of the most subscribed tier of broadband service in a proposed service area;**“(iv) new subscribers generated from the project; and**“(v) any metrics the Secretary determines to be appropriate.**“(2) ADDITIONAL REPORTING.—**“(A) BROADBAND BUILDOUT DATA.—As a condition of receiving assistance under section 601, a recipient of assistance shall provide to the Secretary complete, reliable, and precise geolocation information that indicates the location of new broadband service that is being provided or upgraded within the service territory supported by the grant, loan, or loan guarantee not later than 30 days after the earlier of—**“(i) the date of completion of any project milestone established by the Secretary; or**“(ii) the date of completion of the project.**“(B) REPORTING FOR MIDDLE MILE PROJECTS.—The Secretary shall require any entity receiving assistance under section 602 to submit a semiannual report for 5 years after completion of the project, in a format specified by the Secretary, that describes—**“(i) the use by the entity of the assistance to construct, improve, or acquire middle mile infrastructure;**“(ii) the progress towards meeting the end-user connection plan submitted under section 602(d)(1)(A)(iii); and**“(iii) any additional metrics the Secretary determines to be appropriate.**“(C) ADDITIONAL REPORTING.—The Secretary may require any additional reporting and information by any recipient of any broadband assistance under this act so as to ensure compliance with this section.*

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*“(d) ANNUAL REPORT ON BROADBAND PROJECTS AND SERVICE TO CONGRESS.—Each year, the Secretary shall submit to the Congress a report that describes the extent of participation in the broadband assistance programs administered by the Secretary for the preceding fiscal year, including a description of—*

*“(1) the number of applications received and accepted, including any special loan terms or conditions for which the Secretary provided additional assistance to unserved areas;*

*“(2)(A) the communities proposed to be served in each application submitted for the fiscal year; and*

*“(B) the communities served by projects funded by broadband assistance programs;*

*“(3) the period of time required to approve each loan application under broadband programs;*

*“(4) any outreach activities carried out by the Secretary to encourage entities in rural areas without broadband service to submit applications under this Act;*

*“(5) the method by which the Secretary determines that a service enables a subscriber to originate and receive high-quality voice, data, graphics, and video for purposes of providing broadband service under this Act;*

*“(6) each broadband service, including the type and speed of broadband service, for which assistance was sought, and each broadband service for which assistance was provided, under this Act; and*

*“(7) the overall progress towards fulfilling the goal of improving the quality of rural life by expanding rural broadband access, as demonstrated by metrics, including—*

*“(A) the number of residences and businesses receiving new broadband services;*

*“(B) network improvements, including facility upgrades and equipment purchases;*

*“(C) average broadband speeds and prices on a local and statewide basis;*

*“(D) any changes in broadband adoption rates; and*

*“(E) any specific activities that increased high speed broadband access for educational institutions, health care providers, and public safety service providers.*

*“(e) LIMITATIONS ON RESERVATION OF FUNDS.—Not less than 3 but not more than 5 percent of program level amounts available pursuant to amounts appropriated to carry out title VI shall be set aside to be used for—*

*“(1) conducting oversight under such title;*

*“(2) implementing accountability measures and related activities authorized under such title; and*

*“(3) carrying out this section.”.*

**SEC. 6208. ENVIRONMENTAL REVIEWS.**

*Title VII of the Rural Electrification Act of 1936, as added by section 6207 of this Act, is amended by adding at the end the following:*

**“SEC. 702. ENVIRONMENTAL REVIEWS.**

*“The Secretary may obligate, but not disperse, funds under this Act before the completion of otherwise required environmental, historical, or other types of reviews if the Secretary determines that a*



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*subsequent site-specific review shall be adequate and easily accomplished for the location of towers, poles, or other broadband facilities in the service area of the borrower without compromising the project or the required reviews.”*

**SEC. 6209. USE OF LOAN PROCEEDS TO REFINANCE LOANS FOR DEPLOYMENT OF BROADBAND SERVICE.**

*Title VII of the Rural Electrification Act of 1936, as added by section 6207 and amended by section 6208 of this Act, is amended by adding at the end the following:*

**“SEC. 703. USE OF LOAN PROCEEDS TO REFINANCE LOANS FOR DEPLOYMENT OF BROADBAND SERVICE.**

*“Notwithstanding any other provision of this Act, the proceeds of any loan made or guaranteed by the Secretary under this Act may be used by the recipient of the loan for the purpose of refinancing an outstanding obligation of the recipient on another telecommunications loan made under this Act, or on any other loan if that loan would have been for an eligible telecommunications purpose under this Act.”*

**SEC. 6210. SMART UTILITY AUTHORITY FOR BROADBAND.**

*(a) Section 331 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981) is amended by adding at the end the following:*

*“(e)(1) Except as provided in paragraph (2), the Secretary may allow a recipient of a grant, loan, or loan guarantee provided by the Office of Rural Development under this title to use not more than 10 percent of the amount so provided—*

*“(A) for any activity for which assistance may be provided under section 601 of the Rural Electrification Act of 1936; or*

*“(B) to construct other broadband infrastructure.*

*“(2) Paragraph (1) of this subsection shall not apply to a recipient who is seeking to provide retail broadband service in any area where retail broadband service is available at the minimum broadband speeds, as defined under section 601(e) of the Rural Electrification Act of 1936.*

*“(3) The Secretary shall not provide funding under paragraph (1) if the funding would result in competitive harm to any grant, loan, or loan guarantee provided under the Rural Electrification Act of 1936.”*

*(b) Title I of the Rural Electrification Act of 1936 (7 U.S.C. 901–918a) is amended by inserting after section 7 the following:*

**“SEC. 8. LIMITATIONS ON USE OF ASSISTANCE.**

*“(a) Subject to subsections (b) and (c) of this section, the Secretary may allow a recipient of a grant, loan, or loan guarantee under this title to set aside not more than 10 percent of the amount so received to provide retail broadband service.*

*“(b) A recipient who sets aside funds under subsection (a) of this section may use the funds only in an area that is not being provided with the minimum acceptable level of broadband service established under section 601(e), unless the recipient meets the requirements of section 601(d).*

*“(c) Nothing in this section shall be construed to limit the ability of any borrower to finance or deploy services authorized under this Act.*



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*“(d) The Secretary shall not provide funding under subsection (a) if the funding would result in competitive harm to any grant, loan, or loan guarantee referred to in subsection (a).”*

**SEC. 6211. REFINANCING OF TELEPHONE LOANS.**

*Section 201 of the Rural Electrification Act of 1936 (7 U.S.C. 922) is amended, in the fifth sentence, by striking “furnishing telephone service in rural areas:” and all that follows through “40 per centum of any loan made under this title.” and inserting “furnishing telephone service in rural areas, including indebtedness of recipients on another telecommunications loan made under this Act.”*

**SEC. 6212. FEDERAL BROADBAND PROGRAM COORDINATION.**

*(a) CONSULTATION BETWEEN USDA AND NTIA.—The Secretary shall consult with the Assistant Secretary to assist in the verification of eligibility of the broadband loan and grant programs of the Department of Agriculture. In providing assistance under the preceding sentence, the Assistant Secretary shall make available the broadband assessment and mapping capabilities of the National Telecommunications and Information Administration.*

*(b) CONSULTATION BETWEEN USDA AND FCC.—*

*(1) BY USDA.—The Secretary shall consult with the Commission before providing broadband assistance for a project to serve an area with respect to which another entity is receiving Connect America Fund or Mobility Fund support under the Federal universal service support mechanisms established under section 254 of the Communications Act of 1934 (47 U.S.C. 254).*

*(2) BY FCC.—The Commission shall consult with the Secretary before offering or providing Connect America Fund or Mobility Fund support under the Federal universal service support mechanisms established under section 254 of the Communications Act of 1934 (47 U.S.C. 254) to serve an area with respect to which another entity has received broadband assistance under a loan or grant program of the Department of Agriculture.*

*(c) REPORT TO CONGRESS.—Not later than 1 year after the date of the enactment of this Act, the Secretary, the Commission, and the Assistant Secretary shall submit to the Committee on Agriculture and the Committee on Energy and Commerce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry and the Committee on Commerce, Science, and Transportation of the Senate a report on how best to coordinate federally supported broadband programs and activities in order to achieve the following objectives:*

*(1) Promote high-quality broadband service that meets the long-term needs of rural residents and businesses, by evaluating the broadband service needs in rural areas for each decade through 2050.*

*(2) Support the long-term viability, sustainability, and utility of federally supported rural broadband infrastructure, by analyzing the technical capabilities of the technologies currently available and reasonably expected to be available by 2035 to meet the broadband service needs of rural residents identified under paragraph (1), including by analyzing the following:*

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(A) *The real-world performance of such technologies, including data rates, latency, data usage restrictions, and other aspects of service quality, as defined by the Commission.*

(B) *The suitability of each such technology for residential, agricultural, educational, healthcare, commercial, and industrial purposes in rural areas.*

(C) *The cost to deploy and support such technologies in several rural geographies.*

(D) *The costs associated with online platforms, specifically the resulting constraints on rural network bandwidth.*

(3) *Identify and quantify the availability of broadband service and ongoing broadband deployment in rural areas, including ways to do the following:*

(A) *Harmonize broadband notification and reporting requirements and develop common verification procedures across all federally supported broadband programs.*

(B) *Consolidate and utilize the existing broadband service data.*

(C) *Collect and share data on those projects in rural areas where Federal programs are currently supporting broadband deployment, including areas with respect to which an entity is receiving—*

(i) *support under a broadband assistance program of the Department of Agriculture; or*

(ii) *Connect America Fund or Mobility Fund support under the Federal universal service support mechanisms established under section 254 of the Communications Act of 1934 (47 U.S.C. 254).*

(D) *Leverage support technologies and services from online platforms for providers of broadband service in rural areas.*

(d) **DEFINITIONS.**—*In this section:*

(1) **ASSISTANT SECRETARY.**—*The term “Assistant Secretary” means the Assistant Secretary of Commerce for Communications and Information.*

(2) **COMMISSION.**—*The term “Commission” means the Federal Communications Commission.*

(3) **RURAL AREA.**—*The term “rural area” has the meaning given the term in section 601(b)(3) of the Rural Electrification Act of 1936.*

**SEC. 6213. TRANSITION RULE.**

*For the period beginning on the date of the enactment of this Act and ending on the date that is one year after such date of enactment, with respect to the implementation of the rural broadband access program under section 601 of the Rural Electrification Act of 1936 (7 U.S.C. 950bb) and the Community Connect Grant Program under section 604 of such Act, as added by section 6204 of this Act, the Secretary shall use the regulations in existence as of the day before the date of enactment of this Act that are applicable to the program involved, until the Secretary issues a final rule implementing the provisions of, and amendments made by, this title that apply to that program.*

**SEC. 6214. RURAL BROADBAND INTEGRATION WORKING GROUP.***(a) IN GENERAL.—*

*(1) ESTABLISHMENT.—There is established the Rural Broadband Integration Working Group (referred to in this subsection as the “Working Group”).*

*(2) MEMBERSHIP.—The membership of the Working Group shall be composed of the heads, or their designees, of—*

*(A) the Department of Agriculture, acting through the Administrator of the Rural Utilities Service;*

*(B) the Department of Commerce, acting through the Assistant Secretary for Communications and Information;*

*(C) the Department of Defense;*

*(D) the Department of State;*

*(E) the Department of the Interior;*

*(F) the Department of Labor;*

*(G) the Department of Health and Human Services;*

*(H) the Department of Homeland Security;*

*(I) the Department of Housing and Urban Development;*

*(J) the Department of Justice;*

*(K) the Department of Transportation;*

*(L) the Department of the Treasury;*

*(M) the Department of Energy;*

*(N) the Department of Education;*

*(O) the Department of Veterans Affairs;*

*(P) the Environmental Protection Agency;*

*(Q) the General Services Administration;*

*(R) the Small Business Administration;*

*(S) the Institute of Museum and Library Services;*

*(T) the National Science Foundation;*

*(U) the Council on Environmental Quality;*

*(V) the Office of Science and Technology Policy;*

*(W) the Office of Management and Budget;*

*(X) the Council of Economic Advisers;*

*(Y) the Domestic Policy Council;*

*(Z) the National Economic Council; and*

*(AA) such other Federal agencies or entities as are determined appropriate by the co-chairs.*

*(3) CO-CHAIRS.—The following individuals, or their designees, shall serve as co-chairs of the Working Group:*

*(A) The Administrator of the Rural Utilities Service.*

*(B) The Assistant Secretary for Communications and Information.*

*(C) The Director of the National Economic Council.*

*(D) The Director of the Office of Science and Technology Policy.*

*(4) CONSULTATION; COORDINATION.—The Working Group shall consult, as appropriate, with other relevant agencies, including the Federal Communications Commission. The Working Group shall coordinate with existing Federal working groups and committees involved with broadband.*

*(5) MEMBERSHIP CHANGES.—The Director of the National Economic Council and the Director of the Office of Science and Technology Policy shall review, on a periodic basis, the mem-*

*bership of the Working Group to ensure that the Working Group—*

*(A) includes necessary Federal Government entities; and*

*(B) is an effective mechanism for coordinating among agencies on the policy described in subsection (b).*

*(b) FUNCTIONS OF WORKING GROUP.—*

*(1) CONSULTATION.—The Working Group shall consult with State, local, Tribal, and territorial governments, telecommunications companies, utilities, trade associations, philanthropic entities, policy experts, and other interested parties to identify, assess, and determine possible actions relating to barriers and opportunities for broadband deployment in rural areas.*

*(2) POINT OF CONTACT.—Not later than 15 days after the date of enactment of this Act, each member of the Working Group shall—*

*(A) designate a representative to serve as the main point of contact for matters relating to the Working Group; and*

*(B) notify the co-chairs of the Working Group of that designee.*

*(3) SURVEY.—Not later than 60 days after the date of enactment of this Act, based on information provided by the members of the Working Group, the Working Group shall publish a comprehensive survey of—*

*(A) Federal programs, including the allocated funding amounts, that currently support or could reasonably be modified to support broadband deployment and adoption; and*

*(B) all Federal agency-specific policies and rules with the direct or indirect effect of facilitating or regulating investment in, or deployment of, wired and wireless broadband networks.*

*(4) LIST OF ACTIONS.—Not later than 120 days after the date of enactment of this Act, the members of the Working Group shall submit to the Working Group an initial list of actions that each of the agencies could take to identify and address regulatory barriers to, incentivize investment in, promote best practices within, align funding decisions with respect to, and otherwise support, wired broadband deployment and adoption.*

*(5) REPORT.—Not later than 150 days after the date of enactment of this Act, the Working Group shall submit to the President an agreed-to and prioritized list of recommendations of the Working Group on actions that Federal agencies can take to support broadband deployment and adoption, including—*

*(A) a list of priority actions and rulemakings; and*

*(B) timelines to complete the priority actions and rulemakings.*

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### **Subtitle C—Miscellaneous**

**SEC. 6301. EXCLUSION OF CERTAIN POPULATIONS FROM DEFINITION OF RURAL AREA.**

(a) *IN GENERAL.*—Section 343(a)(13) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)(13)) is amended—

(1) in subparagraph (A), by striking “(G)” and inserting “(I)”;

and

(2) by adding at the end the following:  
“(H) *EXCLUSION OF INCARCERATED POPULATIONS.*—Populations of individuals incarcerated on a long-term or regional basis shall not be included in determining whether an area is ‘rural’ or a ‘rural area’.”

“(I) *LIMITED EXCLUSION OF MILITARY BASE POPULATIONS.*—The first 1,500 individuals who reside in housing located on a military base shall not be included in determining whether an area is ‘rural’ or a ‘rural area’.”

(b) *BROADBAND.*—Section 601(b)(3) of the Rural Electrification Act of 1936 (7 U.S.C. 950bb(b)(3)) is amended by adding at the end the following:

“(C) *EXCLUSION OF CERTAIN POPULATIONS.*—Such term does not include any population described in subparagraph (H) or (I) of section 343(a)(13) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)(13)).”

(c) *DISTANCE LEARNING AND TELEMEDICINE LOANS AND GRANTS.*—Section 2332 of the Food Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 950aaa–1) is amended by adding at the end the following:

“(4) *RURAL AREA.*—The term ‘rural area’ has the meaning given the term in section 601(b)(3) of the Rural Electrification Act of 1936.”

**SEC. 6302. ESTABLISHMENT OF TECHNICAL ASSISTANCE PROGRAM.**

(a) *DEFINITION.*—In this section, the term ‘tribally designated housing entity’ has the meaning given the term in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103).

(b) *IN GENERAL.*—The Secretary shall, in coordination with the Office of Tribal Relations established under section 309 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6921), provide technical assistance to improve access by Tribal entities to rural development programs funded by the Department of Agriculture through available cooperative agreement authorities of the Secretary.

(c) *TECHNICAL ASSISTANCE.*—Technical assistance provided under subsection (b) shall address the unique challenge of Tribal governments, Tribal producers, Tribal businesses, Tribal business entities, and tribally designated housing entities in accessing Department of Agriculture-supported rural infrastructure, rural cooperative development, rural business and industry, rural housing, and other rural development activities.

**SEC. 6303. RURAL ENERGY SAVINGS PROGRAM.**

Section 6407 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107a) is amended—



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(1) in subsection (b)(2), by striking “efficiency.” and inserting “efficiency (including cost-effective on- or off-grid renewable energy or energy storage systems).”;

(2) in subsection (c)—

(A) by redesignating paragraphs (4) through (7) as paragraphs (5) through (8), respectively;

(B) by inserting after paragraph (3) the following:

“(4) **ELIGIBILITY FOR OTHER LOANS.**—The Secretary shall not include any debt incurred by a borrower under this section in the calculation of the debt-equity ratio of the borrower for purposes of eligibility for loans under the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.).”;

(C) in subparagraph (B) of paragraph (5) (as so redesignated), by striking “(6)” and inserting “(7)”; and

(D) by adding at the end the following:

“(9) **ACCOUNTING.**—The Secretary shall take appropriate steps to streamline the accounting requirements on borrowers under this section while maintaining adequate assurances of the repayment of the loans.”;

(3) in subsection (d)(1)—

(A) in subparagraph (A), by striking “3 percent” and inserting “5 percent”; and

(B) in subparagraph (D), by striking “electric” and inserting “recurring service”;

(4) by redesignating subsection (h) as subsection (i);

(5) by inserting after subsection (g) the following:

“(h) **PUBLICATION.**—Not later than 120 days after the end of each fiscal year, the Secretary shall publish a description of—

“(1) the number of applications received under this section for that fiscal year;

“(2) the number of loans made to eligible entities under this section for that fiscal year; and

“(3) the recipients of the loans described in paragraph (2).”;

and

(6) in subsection (i) (as so redesignated), by striking “2018” and inserting “2023”.

**SEC. 6304. NORTHERN BORDER REGIONAL COMMISSION REAUTHORIZATION.**

(a) **ADMINISTRATIVE EXPENSES OF REGIONAL COMMISSIONS.**—Section 15304(c)(3)(A) of title 40, United States Code, is amended by striking “unanimous” and inserting “majority”.

(b) **ECONOMIC AND INFRASTRUCTURE DEVELOPMENT GRANTS.**—Section 15501 of title 40, United States Code, is amended—

(1) in subsection (a)—

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

(B) by redesignating paragraph (8) as paragraph (9);

and

(C) by inserting after paragraph (7) the following:

“(8) to grow the capacity for successful community economic development in its region; and”;

(2) in subsection (b), by striking “paragraphs (1) through (3)” and inserting “paragraph (1), (2), (3), or (7)”; and

(3) in subsection (f), by striking the period at the end and inserting “, except that financial assistance may be used as oth-



*erwise authorized by this subtitle to attract businesses to the region from outside the United States.”.*

*(c) STATE CAPACITY BUILDING GRANT PROGRAM.—*

*(1) DEFINITIONS.—In this subsection:*

*(A) COMMISSION.—The term “Commission” means the Northern Border Regional Commission established by section 15301(a)(3) of title 40, United States Code.*

*(B) COMMISSION STATE.—The term “Commission State” means each of the States of Maine, New Hampshire, New York, and Vermont.*

*(C) ELIGIBLE COUNTY.—The term “eligible county” means a county described in section 15733 of title 40, United States Code.*

*(D) PROGRAM.—The term “program” means the State capacity building grant program established under paragraph (2).*

*(2) ESTABLISHMENT.—Not later than 180 days after the date of enactment of this Act, the Commission shall establish a State capacity building grant program to provide grants to Commission States to carry out the purpose under paragraph (3).*

*(3) PURPOSE.—The purpose of the program is to support the efforts of the Commission—*

*(A) to better support business retention and expansion in eligible counties;*

*(B) to create programs to encourage job creation and workforce development in eligible counties;*

*(C) to prepare economic and infrastructure plans for eligible counties;*

*(D) to expand access to high-speed broadband in eligible counties;*

*(E) to provide technical assistance that results in Commission investments in transportation, water, wastewater, and other critical infrastructure;*

*(F) to create initiatives to increase the effectiveness of local development districts in eligible counties; and*

*(G) to implement new or innovative economic development practices that will better position the eligible counties of Commission States to compete in the global economy.*

*(4) USE OF FUNDS.—*

*(A) IN GENERAL.—Funds from a grant under the program may be used to support a project, program, or related expense of the Commission State in an eligible county.*

*(B) LIMITATION.—Funds from a grant under the program shall not be used for—*

*(i) the purchase of furniture, fixtures, or equipment;*

*(ii) the compensation of—*

*(I) any State member of the Commission (as described in section 15301(b)(1)(B) of title 40, United States Code); or*

*(II) any State alternate member of the Commission (as described in section 15301(b)(2)(B) of title 40, United States Code); or*

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(iii) the cost of supplanting existing State programs.

(5) ANNUAL WORK PLAN.—

(A) IN GENERAL.—For each fiscal year, before providing a grant under the program, each Commission State shall provide to the Commission an annual work plan that includes the proposed use of the grant.

(B) APPROVAL.—No grant under the program shall be provided to a Commission State unless the Commission has approved the annual work plan of the State.

(6) AMOUNT OF GRANT.—

(A) IN GENERAL.—The amount of a grant provided to a Commission State under the program for a fiscal year shall be based on the proportion that—

(i) the amount paid by the Commission State (including any amounts paid on behalf of the Commission State by a nonprofit organization) for administrative expenses for the applicable fiscal year (as determined under section 15304(c) of title 40, United States Code); bears to

(ii) the amount paid by all Commission States (including any amounts paid on behalf of a Commission State by a nonprofit organization) for administrative expenses for that fiscal year (as determined under that section).

(B) REQUIREMENT.—To be eligible to receive a grant under the program for a fiscal year, a Commission State (or a nonprofit organization on behalf of the Commission State) shall pay the amount of administrative expenses of the Commission State for the applicable fiscal year (as determined under section 15304(c) of title 40, United States Code).

(C) APPROVAL.—For each fiscal year, a grant provided under the program shall be approved and made available as part of the approval of the annual budget of the Commission.

(7) GRANT AVAILABILITY.—Funds from a grant under the program shall be available only during the fiscal year for which the grant is provided.

(8) REPORT.—Each fiscal year, each Commission State shall submit to the Commission and make publicly available a report that describes the use of the grant funds and the impact of the program in the State.

(9) FUNDING.—

(A) IN GENERAL.—There is authorized to be appropriated to carry out this subsection \$5,000,000 for each of fiscal years 2019 through 2023.

(B) SUPPLEMENT, NOT SUPPLANT.—Funds made available to carry out this subsection shall supplement and not supplant funds made available for the Commission and other activities of the Commission.

(d) NORTHERN BORDER REGIONAL COMMISSION.—Section 15733 of title 40, United States Code, is amended—

(1) in paragraph (2)—

(A) by inserting “Belknap,” before “Carroll,”; and

(B) by inserting “Cheshire,” before “Coos,”;  
 (2) by striking paragraph (3) and inserting the following new paragraph:

“(3) NEW YORK.—The counties of Cayuga, Clinton, Essex, Franklin, Fulton, Genesee, Greene, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison, Montgomery, Niagara, Oneida, Orleans, Oswego, Rensselaer, Saratoga, Schenectady, Seneca, St. Lawrence, Sullivan, Washington, Warren, Wayne, and Yates in the State of New York.”; and

(3) in paragraph (4)—

(A) by inserting “Addison, Bennington,” before “Caledonia,”;

(B) by inserting “Chittenden,” before “Essex,”;

(C) by striking “and” and inserting “Orange,” and

(D) by inserting “, Rutland, Washington, Windham, and Windsor” after “Orleans”.

(e) AUTHORIZATION OF APPROPRIATIONS.—Section 15751(a) of title 40, United States Code, is amended by striking “\$30,000,000 for each of fiscal years 2008 through 2018” and inserting “\$33,000,000 for each of fiscal years 2019 through 2023”.

(f) VACANCIES.—Section 15301 of title 40, United States Code, is amended by adding at the end the following:

“(f) SUCCESSION.—Subject to the time limitations under section 3346 of title 5, the Federal Cochairperson may designate a Federal employee of the Commission to perform the functions and duties of the office of the Federal Cochairperson temporarily in an acting capacity if both the Federal Cochairperson and the alternate Federal Cochairperson die, resign, or otherwise are unable to perform the functions and duties of their offices.”.

(g) TECHNICAL AMENDMENTS.—Chapters 1, 2, 3, and 4 of subtitle V of title 40, United States Code, are redesignated as chapters 151, 153, 155, and 157, respectively.

**SEC. 6305. DEFINITION OF RURAL AREA FOR PURPOSES OF THE HOUSING ACT OF 1949.**

The second sentence of section 520 of the Housing Act of 1949 (42 U.S.C. 1490) is amended—

(1) by striking “or 2010 decennial census” and inserting “2010, or 2020 decennial census”;

(2) by striking “December 31, 2010,” and inserting “December 31, 2020,”; and

(3) by striking “year 2020” and inserting “year 2030”.

**SEC. 6306. COUNCIL ON RURAL COMMUNITY INNOVATION AND ECONOMIC DEVELOPMENT.**

(a) PURPOSE.—The purpose of this section is to enhance the efforts of the Federal Government to address the needs of rural areas in the United States by—

(1) establishing a council to better coordinate Federal programs directed to rural communities;

(2) maximizing the impact of Federal investment to promote economic prosperity and quality of life in rural communities in the United States; and

(3) using innovation to resolve local and regional challenges faced by rural communities.

(b) ESTABLISHMENT.—

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(1) *There is established a Council on Rural Community Innovation and Economic Development (referred to in this section as the "Council").*

(2) *The Council shall be the successor to the Interagency Task Force on Agriculture and Rural Prosperity established by Executive Order 13790.*

(c) *MEMBERSHIP.—*

(1) *IN GENERAL.—The membership of the Council shall be composed of the heads of the following executive branch departments, agencies, and offices:*

- (A) *The Department of Agriculture.*
- (B) *The Department of the Treasury.*
- (C) *The Department of Defense.*
- (D) *The Department of Justice.*
- (E) *The Department of the Interior.*
- (F) *The Department of Commerce.*
- (G) *The Department of Labor.*
- (H) *The Department of Health and Human Services.*
- (I) *The Department of Housing and Urban Development.*
- (J) *The Department of Transportation.*
- (K) *The Department of Energy.*
- (L) *The Department of Education.*
- (M) *The Department of Veterans Affairs.*
- (N) *The Department of Homeland Security.*
- (O) *The Environmental Protection Agency.*
- (P) *The Federal Communications Commission.*
- (Q) *The Office of Management and Budget.*
- (R) *The Office of Science and Technology Policy.*
- (S) *The Office of National Drug Control Policy.*
- (T) *The Council of Economic Advisers.*
- (U) *The Domestic Policy Council.*
- (V) *The National Economic Council.*
- (W) *The Small Business Administration.*
- (X) *The Council on Environmental Quality.*
- (Y) *The White House Office of Public Engagement.*
- (Z) *The White House Office of Cabinet Affairs.*

(AA) *Such other executive branch departments, agencies, and offices as the President or the Secretary may, from time to time, designate.*

(2) *CHAIR.—The Secretary shall serve as the Chair of the Council.*

(3) *DESIGNEES.—A member of the Council may designate, to perform the Council functions of the member, a senior-level official who is—*

(A) *part of the department, agency, or office of the member; and*

(B) *a full-time officer or employee of the Federal Government.*

(4) *ADMINISTRATION.—The Council shall coordinate policy development through the rural development mission area.*

(d) *FUNDING.—The Secretary shall provide funding and administrative support for the Council to the extent permitted by law and within existing appropriations.*

(e) *MISSION AND FUNCTION OF THE COUNCIL.*—*The Council shall work across executive departments, agencies, and offices to coordinate development of policy recommendations—*

(1) *to maximize the impact of Federal investment on rural communities;*

(2) *to promote economic prosperity and quality of life in rural communities; and*

(3) *to use innovation to resolve local and regional challenges faced by rural communities.*

(f) *DUTIES.*—*The Council shall—*

(1) *make recommendations to the President, acting through the Director of the Domestic Policy Council and the Director of the National Economic Council, on streamlining and leveraging Federal investments in rural areas, where appropriate, to increase the impact of Federal dollars and create economic opportunities to improve the quality of life in rural areas in the United States;*

(2) *coordinate and increase the effectiveness of Federal engagement with rural stakeholders, including agricultural organizations, small businesses, education and training institutions, health-care providers, telecommunications services providers, electric service providers, transportation providers, research and land grant institutions, law enforcement, State, local, and tribal governments, and nongovernmental organizations regarding the needs of rural areas in the United States;*

(3) *coordinate Federal efforts directed toward the growth and development of rural geographic regions that encompass both metropolitan and nonmetropolitan areas;*

(4) *identify and facilitate rural economic opportunities associated with energy development, outdoor recreation, and other conservation related activities; and*

(5) *identify common economic and social challenges faced by rural communities that could be served through—*

(A) *better coordination of existing Federal and non-Federal resources; and*

(B) *innovative solutions utilizing governmental and nongovernmental resources.*

(g) *EXECUTIVE DEPARTMENTS AND AGENCIES.*—

(1) *IN GENERAL.*—*The heads of executive departments and agencies shall assist and provide information to the Council, consistent with applicable law, as may be necessary to carry out the functions of the Council.*

(2) *EXPENSES.*—*Each executive department or agency shall be responsible for paying any expenses of the executive department or agency for participating in the Council.*

(h) *COUNCIL WORKING GROUPS.*—

(1) *IN GENERAL.*—*The Council may establish, in addition to the working groups established under paragraph (3), such other working groups as necessary.*

(2) *MEMBERSHIP.*—*The Secretary shall include as members of each working group such Council members, other heads of Federal agencies (or their designees as defined in (d)(3)), and non-Federal partners as determined appropriate to the subject matter.*



(3) *REQUIRED WORKING GROUPS.*—*The working groups specified in this paragraph are each of the following:*

(A) *THE RURAL SMART COMMUNITIES WORKING GROUP.*—

(i) *ESTABLISHMENT.*—*The Council shall establish a Rural Smart Communities Working Group.*

(ii) *DUTIES.*—*The Rural Smart Communities Working Group shall—*

(I) *not later than 1 year after the establishment of such Working Group, submit to Congress a report describing efforts of rural areas to integrate smart technology into their communities to solve challenges relating to governance, economic development, quality of life, or other relevant rural issues, as determined by the Secretary; and*

(II) *create, publish, and maintain a resource guide designed to assist States and other rural communities in developing and implementing rural smart community programs.*

(iii) *SMART COMMUNITY DEFINED.*—*For the purposes of this subparagraph, the term “smart community” means a community that has the ability to integrate multiple technological solutions, in a secure fashion, to manage a community’s assets, including local government information systems, schools, libraries, transportation systems, hospitals, power plants, law enforcement, and other community services with the goal of promoting quality of life through the use of technology in ways that improve the efficiency of services and meet residents’ needs.*

(B) *JOBS ACCELERATOR WORKING GROUP.*—

(i) *ESTABLISHMENT.*—*The Council shall establish a Jobs Accelerator Working Group.*

(ii) *GOALS.*—*The Jobs Accelerator Working Group shall support rural jobs accelerators (as defined in section 379I(a)(4) of the Consolidated Farm and Rural Development Act)—*

(I) *to improve the ability of rural communities to create high-wage jobs, accelerate the formation of new businesses with high-growth potential, and strengthen regional economies, including by helping to build capacity in the applicable region to achieve those goals; and*

(II) *to help rural communities identify and maximize local assets and connect to regional opportunities, networks, and industry clusters that demonstrate high growth potential.*

(iii) *DUTIES.*—*The Jobs Accelerator Working Group shall—*

(I) *provide the public with available information and technical assistance on Federal resources relevant to a project and region;*

(II) *establish a Federal support team comprised of staff from participating agencies in the working group that shall provide coordinated and*



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*dedicated support services to rural jobs accelerators; and*

*(III) provide opportunities for rural jobs accelerators to share best practices and further collaborate with one another.*

### ***Subtitle D—Additional Amendments to the Consolidated Farm and Rural Development Act***

#### **SEC. 6401. STRATEGIC ECONOMIC AND COMMUNITY DEVELOPMENT.**

*Section 379H of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008v) is amended to read as follows:*

#### **“SEC. 379H. STRATEGIC ECONOMIC AND COMMUNITY DEVELOPMENT.**

*“(a) IN GENERAL.—In the case of any program under this title or administered by the Secretary, acting through the rural development mission area, as determined by the Secretary (referred to in this section as a ‘covered program’), the Secretary shall give priority to an application for a project that, as determined and approved by the Secretary—*

*“(1) meets the applicable eligibility requirements of this title or the other applicable authorizing law;*

*“(2) will be carried out in a rural area; and*

*“(3) supports the implementation of a strategic community investment plan described in subsection (d) on a multisectoral and multijurisdictional basis, to include considerations for improving and expanding broadband services as needed.*

*“(b) RESERVE.—*

*“(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall reserve not more than 15 percent of the funds made available for a fiscal year for covered programs for projects that support the implementation of a strategic community investment plan described in subsection (d) on a multisectoral and multijurisdictional basis.*

*“(2) PERIOD.—Any funds reserved under paragraph (1) shall only be reserved for the 1-year period beginning on the date on which the funds were first made available, as determined by the Secretary.*

*“(c) APPROVED APPLICATIONS.—*

*“(1) IN GENERAL.—Subject to paragraph (2), any applicant who submitted an application under a covered program that was approved before the date of enactment of this section may amend the application to qualify for the funds reserved under subsection (b).*

*“(2) RURAL UTILITIES.—Any applicant who submitted an application under paragraph (2), (14), or (24) of section 306(a), or section 306A or 310B(b), that was approved by the Secretary before the date of enactment of this section shall be eligible for the funds reserved under subsection (b)—*

*“(A) on the same basis as an application submitted under this section; and*

*“(B) until September 30, 2019.*

*“(d) STRATEGIC COMMUNITY INVESTMENT PLANS.—*

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“(1) *IN GENERAL.*—The Secretary shall provide assistance to rural communities in developing strategic community investment plans.

“(2) *PLANS.*—A strategic community investment plan described in paragraph (1) shall include—

“(A) a variety of activities designed to facilitate the vision of a rural community for the future, including considerations for improving and expanding broadband services as needed;

“(B) participation by multiple stakeholders, including local and regional partners;

“(C) leverage of applicable regional resources;

“(D) investment from strategic partners, such as—

“(i) private organizations;

“(ii) cooperatives;

“(iii) other government entities;

“(iv) Indian Tribes; and

“(v) philanthropic organizations;

“(E) clear objectives with the ability to establish measurable performance metrics;

“(F) action steps for implementation; and

“(G) any other elements necessary to ensure that the plan results in a comprehensive and strategic approach to rural economic development, as determined by the Secretary.

“(3) *COORDINATION.*—The Secretary shall coordinate with Indian Tribes and local, State, regional, and Federal partners to develop strategic community investment plans under this subsection.

“(4) *AUTHORIZATION OF APPROPRIATIONS.*—There is authorized to be appropriated to carry out this subsection \$5,000,000 for each of fiscal years 2019 through 2023, to remain available until expended.”.

**SEC. 6402. EXPANDING ACCESS TO CREDIT FOR RURAL COMMUNITIES.**

(a) *CERTAIN PROGRAMS UNDER THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT.*—Section 343(a)(13) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)(13)) is amended—

(1) in subparagraph (B)—

(A) in the heading, by striking “AND GUARANTEED”; and

(B) in the text—

(i) by striking “and guaranteed”; and

(ii) by striking “(1), (2), and (24)” and inserting

“(1) and (2)”; and

(2) in subparagraph (C)—

(A) by striking “and guaranteed”; and

(B) by striking “(21), and (24)” and inserting “and

(21)”.

(b) *POPULATION CAPS FOR GUARANTEED LENDING.*—Section 306(a)(24) of such Act (7 U.S.C. 1926(a)(24)) is amended by adding at the end the following:

“(D) *PRIORITY.*—

“(i) *WATER OR WASTE FACILITY.*—The Secretary shall prioritize water and waste facility projects under

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*this paragraph in rural areas with a population of not more than 10,000 people.*

*“(ii) COMMUNITY FACILITY.—Of the funds made available to carry out this paragraph for community facility loan guarantees for a fiscal year the following amounts shall be reserved for projects in rural areas with a population of not more than 20,000 inhabitants:*

*“(I) 100 percent of the first \$200,000,000 so made available;*

*“(II) 50 percent of the next \$200,000,000 so made available; and*

*“(III) 25 percent of all amounts exceeding \$400,000,000 so made available,*

*except that, to the extent that the Secretary demonstrates that the funds so reserved are not needed to finance a community facility project in such a rural area, the Secretary may use the funds for other community facility projects in accordance with this paragraph.”.*

**SEC. 6403. WATER, WASTE DISPOSAL, AND WASTEWATER FACILITY GRANTS.**

*Section 306(a)(2)(B) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(2)(B)) is amended—*

*(1) in clause (iii), by striking “\$100,000” each place it appears and inserting “\$200,000”; and*

*(2) in clause (vii), by striking “\$30,000,000 for each of fiscal years 2008 through 2018” and inserting “\$15,000,000 for each of fiscal years 2019 through 2023”.*

**SEC. 6404. RURAL WATER AND WASTEWATER TECHNICAL ASSISTANCE AND TRAINING PROGRAMS.**

*Section 306(a)(14) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(14)) is amended—*

*(1) in subparagraph (A)—*

*(A) in clause (ii), by striking “and” at the end;*

*(B) in clause (iii), by striking the period and inserting a semicolon; and*

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

*“(iv) identify options to enhance the long-term sustainability of rural water and waste systems, including operational practices, revenue enhancements, partnerships, consolidation, regionalization, or contract services; and*

*“(v) address the contamination of drinking water and surface water supplies by emerging contaminants, including per- and polyfluoroalkyl substances.”; and*

*(2) in subparagraph (C)—*

*(A) by striking “1 nor more than 3” and inserting “3 percent and not more than 5”; and*

*(B) by striking “1 per centum” and inserting “3 percent”.*

**SEC. 6405. RURAL WATER AND WASTEWATER CIRCUIT RIDER PROGRAM.**

*Section 306(a)(22)(B) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(22)(B)) is amended by striking*

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“\$20,000,000 for fiscal year 2014 and each fiscal year thereafter” and inserting “\$25,000,000 for each of fiscal years 2019 through 2023”.

**SEC. 6406. TRIBAL COLLEGE AND UNIVERSITY ESSENTIAL COMMUNITY FACILITIES.**

Section 306(a)(25)(C) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(25)(C)) is amended by striking “2018” and inserting “2023”.

**SEC. 6407. EMERGENCY AND IMMINENT COMMUNITY WATER ASSISTANCE GRANT PROGRAM.**

(a) *IN GENERAL.*—Section 306A of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926a) is amended—

(1) in subsection (b)(1), by striking “; and” and inserting the following: “, particularly to projects to address contamination that—

“(A) poses a threat to human health or the environment; and

“(B) was caused by circumstances beyond the control of the applicant for a grant, including circumstances that occurred over a period of time; and”;

(2) in subsection (d)(1)(D), by inserting “, other than those covered above for not to exceed 120 days when a more permanent solution is not feasible in a shorter time frame. Where drinking water supplies are inadequate due to an event, as determined by the Secretary, including drought, severe weather, or contamination, the Secretary may provide potable water for an additional period of time not to exceed an additional 120 days in order to protect public health” before the period;

(3) in subsection (e)(1)(B), by striking “according to the most recent decennial census of the United States”;

(4) in subsection (f)(1), by striking “\$500,000” and inserting “\$1,000,000”; and

(5) in subsection (i)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking “3 nor more than 5” and inserting “5 percent and not more than 7”; and

(ii) by striking subparagraph (B) and inserting the following:

“(B) *RELEASE.*—

“(i) *IN GENERAL.*—Funds reserved under subparagraph (A) for a fiscal year shall be reserved only until July 1 of the fiscal year.

“(ii) *EXCEPTION.*—Notwithstanding clause (i), in response to an eligible community where the drinking water supplies are inadequate, as determined by the Secretary, due to an event, including drought, severe weather, or contamination, the Secretary may use funds described in subparagraph (A) from July 1 through September 30 each fiscal year to provide potable water under this section in order to protect public health.”; and

(B) in paragraph (2), by striking “\$35,000,000 for each of fiscal years 2008 through 2018” and inserting “\$50,000,000 for each of fiscal years 2019 through 2023”.

*(b) INTERAGENCY TASK FORCE ON RURAL WATER QUALITY.—*

*(1) IN GENERAL.—Not later than 90 days after the date of enactment of this section, the Secretary shall coordinate an interagency task force to examine drinking water and surface water contamination in rural communities, particularly rural communities that are in close proximity to active or decommissioned military installations in the United States.*

*(2) MEMBERSHIP.—The interagency task force shall consist of—*

*(A) the Secretary;*

*(B) the Secretary of the Army, acting through the Chief of Engineers;*

*(C) the Secretary of Health and Human Services, acting through—*

*(i) the Director of the Agency for Toxic Substances and Disease Registry; and*

*(ii) the Director of the Centers for Disease Control and Prevention;*

*(D) the Secretary of Housing and Urban Development;*

*(E) the Secretary of the Interior, acting through—*

*(i) the Director of the United States Fish and Wildlife Service; and*

*(ii) the Director of the United States Geological Survey;*

*(F) the Administrator of the Environmental Protection Agency; and*

*(G) representatives from rural drinking and wastewater entities, State and community regulators, and appropriate scientific experts that reflect a diverse cross-section of the rural communities described in paragraph (1).*

*(3) REPORT.—*

*(A) IN GENERAL.—Not later than 360 days after the date of enactment of this section, the task force shall submit to the committees described in subparagraph (B) a report that—*

*(i) examines, and identifies issues relating to, water contamination in rural communities, particularly rural communities that are in close proximity to active or decommissioned military installations in the United States;*

*(ii) reviews the extent to which Federal, State, and local government agencies coordinate with one another to address the issues identified under clause (i);*

*(iii) recommends how Federal, State, and local government agencies can work together in the most effective, efficient, and cost-effective manner practicable, to address the issues identified under clause (i); and*

*(iv) recommends changes to existing statutory requirements, regulatory requirements, or both, to improve interagency coordination and responsiveness to address the issues identified under clause (i).*

*(B) COMMITTEES DESCRIBED.—The committees referred to in subparagraph (A) are—*

*(i) the Committee on Agriculture of the House of Representatives;*



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- (ii) the Committee on Agriculture, Nutrition, and Forestry of the Senate;
- (iii) the Committee on Energy and Commerce of the House of Representatives;
- (iv) the Committee on Environment and Public Works of the Senate;
- (v) the Committee on Armed Services of the House of Representatives; and
- (vi) the Committee on Armed Services of the Senate.

**SEC. 6408. WATER SYSTEMS FOR RURAL AND NATIVE VILLAGES IN ALASKA.**

Section 306D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926d) is amended—

(1) in subsection (a), by striking “Alaska for” and inserting “Alaska, a consortium formed pursuant to section 325 of the Department of the Interior and Related Agencies Appropriations Act, 1998 (Public Law 105–83; 111 Stat. 1597), and Native villages (as defined in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602)) for”;

(2) in subsection (b), by inserting “for any grant awarded under subsection (a)” before the period at the end; and

(3) in subsection (d)—

(A) in paragraph (1), by striking “2018” and inserting “2023”; and

(B) in paragraph (2), by striking “Alaska” and inserting “Alaska, and not more than 2 percent of the amount made available under paragraph (1) for a fiscal year may be used by a consortium formed pursuant to section 325 of the Department of the Interior and Related Agencies Appropriations Act, 1998 (Public Law 105–83; 111 Stat. 1597),”.

**SEC. 6409. RURAL DECENTRALIZED WATER SYSTEMS.**

Section 306E of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926e) is amended—

(1) by striking the section heading and inserting “**RURAL DECENTRALIZED WATER SYSTEMS**”;

(2) in subsection (a), by striking “100” and inserting “60”;

(3) in subsection (b)—

(A) in paragraph (1)—

(i) by inserting “and subgrants” after “loans”; and

(ii) by inserting “and individually owned household decentralized wastewater systems” after “well systems”;

(B) by striking paragraph (2) and inserting the following:

“(2) **TERMS AND AMOUNTS.**—

“(A) **TERMS OF LOANS.**—A loan made with grant funds under this section—

“(i) shall have an interest rate of 1 percent; and

“(ii) shall have a term not to exceed 20 years.

“(B) **AMOUNTS.**—A loan or subgrant made with grant funds under this section shall not exceed \$15,000 for each water well system or decentralized wastewater system described in paragraph (1).”; and



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(C) by adding at the end the following:

“(4) **GROUND WELL WATER CONTAMINATION.**—In the event of ground well water contamination, the Secretary shall allow a loan or subgrant to be made with grant funds under this section for the installation of water treatment where needed beyond the point of entry, with or without the installation of a new water well system.”;

(4) in subsection (c), by striking “productive use of individually-owned household water well systems” and inserting “effective use of individually owned household water well systems, individually owned household decentralized wastewater systems,”; and

(5) in subsection (d)—

(A) by striking “\$5,000,000” and inserting “\$20,000,000”; and

(B) by striking “2014 through 2018” and inserting “2019 through 2023”.

**SEC. 6410. SOLID WASTE MANAGEMENT GRANTS.**

Section 310B(b)(2) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(b)(2)) is amended by striking “2018” and inserting “2023”.

**SEC. 6411. RURAL BUSINESS DEVELOPMENT GRANTS.**

Section 310B(c)(4)(A) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(c)(4)(A)) is amended by striking “2018” and inserting “2023”.

**SEC. 6412. RURAL COOPERATIVE DEVELOPMENT GRANTS.**

(a) **IN GENERAL.**—Section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(e)) is amended—

(1) in paragraph (10), by inserting “(including research and analysis based on data from the latest available Economic Census conducted by the Bureau of the Census)” after “conduct research”; and

(2) in paragraph (13), by striking “2018” and inserting “2023”.

(b) **TECHNICAL CORRECTION.**—Section 310B(e)(11)(B)(i) of such Act (7 U.S.C. 1932(e)(11)(B)(i)) is amended by striking “(12)” and inserting “(13)”.

**SEC. 6413. LOCALLY OR REGIONALLY PRODUCED AGRICULTURAL FOOD PRODUCTS.**

Section 310B(g)(9)(B)(iv)(I) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(g)(9)(B)(iv)(I)) is amended by striking “2018” and inserting “2023”.

**SEC. 6414. APPROPRIATE TECHNOLOGY TRANSFER FOR RURAL AREAS PROGRAM.**

Section 310B(i)(4) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(i)(4)) is amended by striking “2018” and inserting “2023”.

**SEC. 6415. RURAL ECONOMIC AREA PARTNERSHIP ZONES.**

Section 310B(j) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(j)) is amended by striking “2018” and inserting “2023”.

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**SEC. 6416. INTERMEDIARY RELENDING PROGRAM.**

Section 310H of the Consolidated Farm and Rural Development Act (7 U.S.C. 1936b) is amended—

- (1) by redesignating subsection (e) as subsection (i);
- (2) by inserting after subsection (d) the following:
  - “(e) **LIMITATION ON LOAN AMOUNTS.**—The maximum amount of a loan by an eligible entity described in subsection (b) to individuals and entities for a project under subsection (c), including the unpaid balance of any existing loans, shall be the lesser of—
    - “(1) \$400,000; and
    - “(2) 50 percent of the loan to the eligible entity under subsection (a).
  - “(f) **APPLICATIONS.**—
    - “(1) **IN GENERAL.**—To be eligible to receive a loan or loan guarantee under subsection (a), an eligible entity described in subsection (b) shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.
    - “(2) **EVALUATION.**—In evaluating applications submitted under paragraph (1), the Secretary shall—
      - “(A)(i) take into consideration the previous performance of an eligible entity in carrying out projects under subsection (c); and
      - “(ii) in the case of satisfactory performance under clause (i), require the eligible entity to contribute less equity for subsequent loans without modifying the priority given to subsequent applications; and
      - “(B) in assigning priorities to applications, require an eligible entity to demonstrate that it has a governing or advisory board made up of business, civic, and community leaders who are representative of the communities of the service area, without limitation to the size of the service area.
    - “(g) **RETURN OF EQUITY.**—The Secretary shall establish a schedule that is consistent with the amortization schedules of the portfolio of loans made or guaranteed under subsection (a) for the return of any equity contribution made under this section by an eligible entity described in subsection (b), if the eligible entity is—
      - “(1) current on all principal and interest payments; and
      - “(2) in compliance with loan covenants.
    - “(h) **REGULATIONS.**—The Secretary shall promulgate regulations and establish procedures reducing the administrative requirements on eligible entities described in subsection (b), including regulations to carry out the amendments made to this section by the Agriculture Improvement Act of 2018.”; and
    - (3) in subsection (i) (as so redesignated), by striking “2018” and inserting “2023”.

**SEC. 6417. ACCESS TO INFORMATION TO VERIFY INCOME FOR PARTICIPANTS IN CERTAIN RURAL HOUSING PROGRAMS.**

Section 331 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981), as amended by section 6210(a) of this Act, is amended by adding at the end the following:

- “(f) **ACCESS TO INFORMATION TO VERIFY INCOME FOR PARTICIPANTS IN CERTAIN RURAL HOUSING PROGRAMS.**—The Secretary and the designees of the Secretary are hereby granted the same access to

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information and subject to the same requirements applicable to the Secretary of Housing and Urban Development as provided in section 453 of the Social Security Act (42 U.S.C. 653) and section 6103(l)(7)(D)(ix) of the Internal Revenue Code of 1986 (26 U.S.C. 6103(l)(7)(D)(ix)) to verify income for individuals participating in sections 502, 504, 521, and 542 of the Housing Act of 1949 (42 U.S.C. 1472, 1474, 1490a, and 1490r), notwithstanding section 453(l) of the Social Security Act.”.

**SEC. 6418. PROVIDING FOR ADDITIONAL FEES FOR GUARANTEED LOANS UNDER THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT.**

Section 333 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1983) is amended—

- (1) by striking “and” at the end of paragraph (5);
- (2) by striking the period at the end of paragraph (6) and inserting “; and”; and
- (3) by adding at the end the following:
 

“(7) in the case of an insured or guaranteed loan issued or modified under section 306(a), charge and collect from the lender fees in such amounts as to bring down the costs of subsidies for the insured or guaranteed loan, except that the fees shall not act as a bar to participation in the programs nor be inconsistent with current practices in the marketplace.”.

**SEC. 6419. RURAL BUSINESS-COOPERATIVE SERVICE PROGRAMS TECHNICAL ASSISTANCE AND TRAINING.**

The Consolidated Farm and Rural Development Act is amended by inserting after section 367, as added by section 5306 of this Act, the following:

**“SEC. 368. RURAL BUSINESS-COOPERATIVE SERVICE PROGRAMS TECHNICAL ASSISTANCE AND TRAINING.**

“(a) *IN GENERAL.*—The Secretary may make grants to public bodies, private nonprofit corporations, economic development authorities, institutions of higher education, federally recognized Indian Tribes, and rural cooperatives for the purpose of providing or obtaining technical assistance and training to support funding applications for programs carried out by the Secretary, acting through the Administrator of the Rural Business-Cooperative Service.

“(b) *PURPOSES.*—A grant under subsection (a) may be used—

- “(1) to assist communities in identifying and planning for business and economic development needs;
- “(2) to identify public and private resources to finance business and small and emerging business needs;
- “(3) to prepare reports and surveys necessary to request financial assistance for businesses in rural communities; and
- “(4) to prepare applications for financial assistance.

“(c) *SELECTION PRIORITY.*—In selecting recipients of grants under this section, the Secretary shall give priority to grants serving persistent poverty counties and high poverty communities, as determined by the Secretary.

“(d) *FUNDING.*—

“(1) *IN GENERAL.*—There is authorized to be appropriated to carry out this section \$5,000,000 for each of fiscal years 2019 through 2023, to remain available until expended.

“(2) *AVAILABILITY.*—Any amounts authorized to be appropriated under paragraph (1) for any fiscal year that are not ap-

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*propriated for that fiscal year may be appropriated for the immediately succeeding fiscal year.”.*

**SEC. 6420. NATIONAL RURAL DEVELOPMENT PARTNERSHIP.**

*Section 378 of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008m) is amended in each of subsections (g)(1) and (h), by striking “2018” and inserting “2023” each place it appears.*

**SEC. 6421. GRANTS FOR NOAA WEATHER RADIO TRANSMITTERS.**

*Section 379B(d) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008p(d)) is amended by striking “2018” and inserting “2023”.*

**SEC. 6422. RURAL MICROENTREPRENEUR ASSISTANCE PROGRAM.**

*Section 379E of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008s) is amended—*

*(1) in subsection (b)(4)(B)(ii)—*

*(A) in the clause heading, by striking “MAXIMUM AMOUNT” and inserting “AMOUNT”;*

*(B) by inserting “not less than 20 percent and” before “not more than 25 percent”; and*

*(C) by striking the period at the end and inserting the following: “, subject to—*

*“(I) satisfactory performance by the microenterprise development organization under this section, and*

*“(II) the availability of funding.”; and*

*(2) by striking subsection (d) and inserting the following:*

*“(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section \$20,000,000 for each of fiscal years 2019 through 2023.”.*

**SEC. 6423. HEALTH CARE SERVICES.**

*Section 379G(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008u(e)) is amended by striking “2018” and inserting “2023”.*

**SEC. 6424. RURAL INNOVATION STRONGER ECONOMY GRANT PROGRAM.**

*Subtitle D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981 et seq.) is amended by adding at the end the following:*

**“SEC. 379I. RURAL INNOVATION STRONGER ECONOMY GRANT PROGRAM.**

*“(a) DEFINITIONS.—In this section:*

*“(1) ELIGIBLE ENTITY.—The term ‘eligible entity’ means a rural jobs accelerator partnership established after the date of enactment of this section that—*

*“(A) organizes key community and regional stakeholders into a working group that—*

*“(i) focuses on the shared goals and needs of the industry clusters that are objectively identified as existing, emerging, or declining;*

*“(ii) represents a region defined by the partnership in accordance with subparagraph (B);*

*“(iii) includes 1 or more representatives of—*

- “(I) an institution of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001));
- “(II) a private entity; or
- “(III) a government entity; and
- “(iv) has, as a lead applicant—
- “(I) a District Organization (as defined in section 300.3 of title 13, Code of Federal Regulations (or a successor regulation));
- “(II) an Indian tribe (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304)), or a consortium of Indian tribes;
- “(III) a State or a political subdivision of a State, including a special purpose unit of a State or local government engaged in economic development activities, or a consortium of political subdivisions;
- “(IV) an institution of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)) or a consortium of institutions of higher education; or
- “(V) a public or private nonprofit organization;
- and
- “(B) subject to approval by the Secretary, may—
- “(i) serve a region that is—
- “(I) a single jurisdiction; or
- “(II) if the region is a rural area, multijurisdictional; and
- “(ii) define the region that the partnership represents, if the region—
- “(I) is large enough to contain critical elements of the industry cluster prioritized by the partnership;
- “(II) is small enough to enable close collaboration among members of the partnership;
- “(III) includes a majority of communities that are located in—
- “(aa) a nonmetropolitan area that qualifies as a low-income community (as defined in section 45D(e) of the Internal Revenue Code of 1986); and
- “(bb) an area that has access to or has a plan to achieve broadband service (within the meaning of title VI of the Rural Electrification Act of 1936 (7 U.S.C. 950bb et seq.)); and
- “(IV)(aa) has a population of 50,000 or fewer inhabitants; or
- “(bb) for a region with a population of more than 50,000 inhabitants, is the subject of a positive determination by the Secretary with respect to a rural-in-character petition, including such a petition submitted concurrently with the application of the partnership for a grant under this section.



“(2) *INDUSTRY CLUSTER*.—The term ‘industry cluster’ means a broadly defined network of interconnected firms and supporting institutions in related industries that accelerate innovation, business formation, and job creation by taking advantage of assets and strengths of a region in the business environment.

“(3) *HIGH-WAGE JOB*.—The term ‘high-wage job’ means a job that provides a wage that is greater than the median wage for the applicable region, as determined by the Secretary.

“(4) *JOBS ACCELERATOR*.—The term ‘jobs accelerator’ means a jobs accelerator center or program located in or serving a low-income rural community that may provide co-working space, in-demand skills training, entrepreneurship support, and any other services described in subsection (d)(1)(B).

“(5) *SMALL AND DISADVANTAGED BUSINESS*.—The term ‘small and disadvantaged business’ has the meaning given the term ‘small business concern owned and controlled by socially and economically disadvantaged individuals’ in section 8(d)(3)(C) of the Small Business Act (15 U.S.C. 637(d)(3)(C)).

“(b) *ESTABLISHMENT*.—

“(1) *IN GENERAL*.—The Secretary shall establish a grant program under which the Secretary shall award grants, on a competitive basis, to eligible entities to establish jobs accelerators, including related programming, that—

“(A) improve the ability of distressed rural communities to create high-wage jobs, accelerate the formation of new businesses with high-growth potential, and strengthen regional economies, including by helping to build capacity in the applicable region to achieve those goals; and

“(B) help rural communities identify and maximize local assets and connect to regional opportunities, networks, and industry clusters that demonstrate high growth potential.

“(2) *COST-SHARING*.—

“(A) *IN GENERAL*.—The Federal share of the cost of any activity carried out using a grant made under paragraph (1) shall be not greater than 80 percent.

“(B) *IN-KIND CONTRIBUTIONS*.—The non-Federal share of the total cost of any activity carried out using a grant made under paragraph (1) may be in the form of donations or in-kind contributions of goods or services fairly valued.

“(3) *SELECTION CRITERIA*.—In selecting eligible entities to receive grants under paragraph (1), the Secretary shall consider—

“(A) the commitment of participating core stakeholders in the jobs accelerator partnership, including a demonstration that—

“(i) investment organizations, including venture development organizations, venture capital firms, revolving loan funders, angel investment groups, community lenders, community development financial institutions, rural business investment companies, small business investment companies (as defined in section 103 of the Small Business Investment Act of 1958 (15 U.S.C. 662)), philanthropic organizations, and other institutions focused on expanding access to capital, are com-



*mitted partners in the jobs accelerator partnership and willing to potentially invest in projects emerging from the jobs accelerator; and*

*“(ii) institutions of higher education, applied research institutions, workforce development entities, and community-based organizations are willing to partner with the jobs accelerator to provide workers with skills relevant to the industry cluster needs of the region, with an emphasis on the use of on-the-job training, registered apprenticeships, customized training, classroom occupational training, or incumbent worker training;*

*“(B) the ability of the eligible entity to provide the non-Federal share as required under paragraph (2);*

*“(C) the identification of a targeted industry cluster;*

*“(D) the ability of the partnership to link rural communities to markets, networks, industry clusters, and other regional opportunities and assets;*

*“(E) other grants or loans of the Secretary and other Federal agencies that the jobs accelerator would be able to leverage; and*

*“(F) prospects for the proposed center and related programming to have sustainability beyond the full maximum length of assistance under this subsection, including the maximum number of renewals.*

*“(4) GRANT TERM AND RENEWALS.—*

*“(A) TERM.—The initial term of a grant under paragraph (1) shall be 4 years.*

*“(B) RENEWAL.—The Secretary may extend the term of a grant under paragraph (1) for an additional period of not longer than 2 years if the Secretary is satisfied, using the evaluation under subsection (e)(2), that the grant recipient has successfully established a jobs accelerator and related programming.*

*“(5) GEOGRAPHIC DISTRIBUTION.—To the maximum extent practicable, the Secretary shall provide grants under paragraph (1) for jobs accelerators and related programming in not fewer than 25 States at any time.*

*“(c) GRANT AMOUNT.—A grant awarded under subsection (b) may be in an amount equal to—*

*“(1) not less than \$500,000; and*

*“(2) not more than \$2,000,000.*

*“(d) USE OF FUNDS.—*

*“(1) IN GENERAL.—Subject to paragraph (2), funds from a grant awarded under subsection (b) may be used—*

*“(A) to construct, purchase, or equip a building to serve as an innovation center;*

*“(B) to support programs to be carried out at, or in direct partnership with, the jobs accelerator that support the objectives of the jobs accelerator, including—*

*“(i) linking rural communities and entrepreneurs to markets, networks, industry clusters, and other regional opportunities to support high-wage job creation, new business formation, business expansion, and economic growth;*

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“(ii) *integrating small businesses into a supply chain;*

“(iii) *creating or expanding commercialization activities for new business formation;*

“(iv) *identifying and building assets in rural communities that are crucial to supporting regional economies;*

“(v) *facilitating the repatriation of high-wage jobs to the United States;*

“(vi) *supporting the deployment of innovative processes, technologies, and products;*

“(vii) *enhancing the capacity of small businesses in regional industry clusters, including small and disadvantaged businesses;*

“(viii) *increasing United States exports and business interaction with international buyers and suppliers;*

“(ix) *developing the skills and expertise of local workforces, entrepreneurs, and institutional partners to meet the needs of employers and prepare workers for high-wage jobs in the identified industry clusters, including the upskilling of incumbent workers;*

“(x) *ensuring rural communities have the capacity and ability to carry out projects relating to housing, community facilities, infrastructure, or community and economic development to support regional industry cluster growth; or*

“(xi) *any other activities that the Secretary may determine to be appropriate.*

“(2) **REQUIREMENT.**—

“(A) **IN GENERAL.**—*Subject to subparagraph (B), not more than 10 percent of a grant awarded under subsection (b) shall be used for indirect costs associated with administering the grant.*

“(B) **INCREASE.**—*The Secretary may increase the percentage described in subparagraph (A) on a case-by-case basis.*

“(e) **ANNUAL ACTIVITY REPORT AND EVALUATION.**—*Not later than 1 year after receiving a grant under this section, and annually thereafter for the duration of the grant, an eligible entity shall—*

“(1) *report to the Secretary on the activities funded with the grant; and*

“(2)(A) *evaluate the progress that the eligible entity has made toward the strategic objectives identified in the application for the grant; and*

“(B) *measure that progress using performance measures during the project period, which may include—*

“(i) *high-wage jobs created;*

“(ii) *high-wage jobs retained;*

“(iii) *private investment leveraged;*

“(iv) *businesses improved;*

“(v) *new business formations;*

“(vi) *new products or services commercialized;*

“(vii) *improvement of the value of existing products or services under development;*

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“(viii) regional collaboration, as measured by such metrics as—

“(I) the number of organizations actively engaged in the industry cluster;

“(II) the number of symposia held by the industry cluster, including organizations that are not located in the immediate region defined by the partnership; and

“(III) the number of further cooperative agreements;

“(ix) the number of education and training activities relating to innovation;

“(x) the number of jobs relocated from outside of the United States to the region;

“(xi) the amount and number of new equity investments in industry cluster firms;

“(xii) the amount and number of new loans to industry cluster firms;

“(xiii) the dollar increase in exports resulting from the project activities;

“(xiv) the percentage of employees for which training was provided;

“(xv) improvement in sales of participating businesses;

“(xvi) improvement in wages paid at participating businesses;

“(xvii) improvement in income of participating workers;

or

“(xviii) any other measure the Secretary determines to be appropriate.

“(f) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out this section \$10,000,000 for each of fiscal years 2019 through 2023.”.

**SEC. 6425. DELTA REGIONAL AUTHORITY.**

(a) **AUTHORIZATION OF APPROPRIATIONS.**—Section 382M(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009aa–12(a)) is amended by striking “2008 through 2018” and inserting “2019 through 2023”.

(b) **TERMINATION OF AUTHORITY.**—Section 382N of such Act (7 U.S.C. 2009aa–13) is amended by striking “2018” and inserting “2023”.

**SEC. 6426. RURAL BUSINESS INVESTMENT PROGRAM.**

(a) **DEFINITIONS.**—Section 384A of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009cc) is amended—

(1) in paragraph (2)—

(A) in the paragraph heading, by striking “VENTURE”;

and

(B) by striking “venture”; and

(2) by striking paragraph (4) and inserting the following:

“(4) **EQUITY CAPITAL.**—The term ‘equity capital’ means—

“(A) common or preferred stock or a similar instrument, including subordinated debt with equity features; and

“(B) any other type of equity-like financing that might be necessary to facilitate the purposes of this Act, excluding financing such as senior debt or other types of financing

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*that competes with routine loanmaking of commercial lenders.”.*

(b) **PURPOSES.**—Section 384B of such Act (7 U.S.C. 2009cc–1) is amended—

(1) in paragraph (1), by striking “venture”; and

(2) in paragraph (2)—

(A) in the matter preceding subparagraph (A), by striking “venture”; and

(B) in subparagraph (B), by striking “venture”.

(c) **SELECTION OF RURAL BUSINESS INVESTMENT COMPANIES.**—Section 384D(b)(1) of such Act (7 U.S.C. 2009cc–3(b)(1)) is amended by striking “developmental venture” and inserting “developmental”.

(d) **FEES.**—Section 384G of such Act (7 U.S.C. 2009cc–6) is amended—

(1) in subsections (a) and (b), by striking “a fee that does not exceed \$500” each place it appears and inserting “such fees as the Secretary considers appropriate, so long as those fees are proportionally equal for each rural business investment company,”; and

(2) in subsection (c)(2)—

(A) in subparagraph (B), by striking “solely to cover the costs of licensing examinations” and inserting “as the Secretary considers appropriate”; and

(B) by striking subparagraph (C) and inserting the following:

“(C) shall be in such amounts as the Secretary considers appropriate.”

(e) **LIMITATION ON RURAL BUSINESS INVESTMENT COMPANIES CONTROLLED BY FARM CREDIT SYSTEM INSTITUTIONS.**—Section 384J(c) of such Act (7 U.S.C. 2009cc–9(c)) is amended by striking “25” and inserting “50”.

(f) **FLEXIBILITY ON SOURCES OF INVESTMENT OR CAPITAL.**—Section 384J(a) of such Act (7 U.S.C. 2009cc–9(a)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and indenting appropriately;

(2) by striking the subsection designation and heading and all that follows through “Except as” in the matter preceding subparagraph (A) (as so redesignated) and inserting the following:

“(a) **INVESTMENT.**—

“(1) **IN GENERAL.**—Except as”; and

(3) by adding at the end the following:

“(2) **LIMITATION ON REQUIREMENTS.**—The Secretary may not require that an entity described in paragraph (1) provide investment or capital that is not required of other companies eligible to apply to operate as a rural business investment company under section 384D(a).”

**SEC. 6427. RURAL BUSINESS INVESTMENT PROGRAM.**

Section 384S of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009cc–18) is amended by striking “2018” and inserting “2023”.

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## ***Subtitle E—Additional Amendments to the Rural Electrification Act of 1936***

### **SEC. 6501. AMENDMENTS TO SECTION 2 OF THE RURAL ELECTRIFICATION ACT OF 1936.**

(a) *ELECTRIC LOAN REFINANCING.*—Section 2(a) of the Rural Electrification Act of 1936 (7 U.S.C. 902(a)) is amended by striking “loans in” and inserting “loans, or refinance loans made by the Secretary under this Act, in”.

(b) *TECHNICAL ASSISTANCE FOR RURAL ELECTRIFICATION LOANS.*—Section 2 of such Act (7 U.S.C. 902) is amended by adding at the end the following:

“(c) *TECHNICAL ASSISTANCE.*—Not later than 180 days after the date of enactment of this subsection, the Secretary shall enter into a memorandum of understanding with the Secretary of Energy under which the Secretary of Energy shall provide technical assistance to the Rural Utilities Service on loans to be made under subsection (a) of this section and section 4(a).”.

### **SEC. 6502. LOANS FOR TELEPHONE SERVICE.**

Section 201 of the Rural Electrification Act of 1936 (7 U.S.C. 922) is amended—

(1) by striking the section designation and all that follows through “From such sums” and inserting the following:

#### **“SEC. 201. LOANS FOR TELEPHONE SERVICE.**

“From such sums”;

(2) in the second sentence, by striking “associations:” and all that follows through “same subscribers.” and inserting “associations.”; and

(3) in the sixth sentence, by striking “, nor shall such loan be made in any State” and all that follows through “writing)” in the seventh sentence and inserting the following: “and”.

### **SEC. 6503. CUSHION OF CREDIT PAYMENTS PROGRAM.**

Section 313(a) of the Rural Electrification Act of 1936 (7 U.S.C. 940c(a)) is amended—

(1) in paragraph (1)—

(A) by striking “(1) *IN GENERAL.*—The” and inserting the following:

“(1) *IN GENERAL.*—

“(A) *DEVELOPMENT AND PROMOTION OF PROGRAM.*—The”; and

(B) by adding after and below the end the following:

“(B) *TERMINATION.*—Effective on the date of enactment of this subparagraph, no deposits may be made under subparagraph (A).”;

(2) in paragraph (2)—

(A) by striking “(2) *INTEREST.*—Amounts” and inserting the following:

“(2) *INTEREST.*—

“(A) *IN GENERAL.*—Amounts”; and

(B) by adding after and below the end the following:

“(B) *REDUCTION.*—Notwithstanding subparagraph (A), amounts in each cushion of credit account shall accrue interest to the borrower at a rate equal to—



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“(i) 4 percent per annum in fiscal year 2021; and

“(ii) the then applicable 1-year Treasury rate thereafter.”; and

(3) in paragraph (3)—

(A) by striking “(3) BALANCE.—A” and inserting the following:

“(3) BALANCE.—

“(A) IN GENERAL.—A”; and

(B) by after and below the end the following:

“(B) PREPAYMENT.—Notwithstanding subparagraph (A) and subject to subparagraph (C), beginning on the date of the enactment of this subparagraph and ending with September 30, 2020, a borrower may, at the sole discretion of the borrower, reduce the balance of its cushion of credit account if the amount obtained from the reduction is used to prepay loans made or guaranteed under this Act.

“(C) NO PREPAYMENT PREMIUM.—Notwithstanding any other provision of this Act, no prepayment premium shall be imposed or collected with respect to that portion of a loan that is prepaid by a borrower in accordance with subparagraph (B).

“(D) MANDATORY FUNDING.—Notwithstanding section 504 of the Federal Credit Reform Act of 1990, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall make available such sums as necessary to cover any loan modification costs as defined in section 502 of such Act.”.

**SEC. 6504. EXTENSION OF THE RURAL ECONOMIC DEVELOPMENT LOAN AND GRANT PROGRAM.**

(a) Section 12(b)(3)(D) of the Rural Electrification Act of 1936 (7 U.S.C. 912(b)(3)(D)) is amended by striking “313(b)(2)(A)” and inserting “313(b)(2)”.

(b) Section 313(b)(2) of such Act (7 U.S.C. 940c(b)(2)) is amended—

(1) by striking all that precedes “shall maintain” and inserting the following:

“(2) RURAL ECONOMIC DEVELOPMENT SUBACCOUNT.—The Secretary”; and

(2) by striking “the 5 percent” and all that follows through subparagraph (E) and inserting “5 percent.”.

(c) Title III of such Act (7 U.S.C. 931–940h) is amended by inserting after section 313A the following:

**“SEC. 313B. RURAL DEVELOPMENT LOANS AND GRANTS.**

“(a) IN GENERAL.—The Secretary shall provide grants or zero interest loans to borrowers under this Act for the purpose of promoting rural economic development and job creation projects, including funding for project feasibility studies, start-up costs, incubator projects, and other reasonable expenses for the purpose of fostering rural development.

“(b) REPAYMENTS.—In the case of zero interest loans, the Secretary shall establish such reasonable repayment terms as will encourage borrower participation.

“(c) PROCEEDS.—All proceeds from the repayment of such loans made under this section shall be returned to the subaccount that the



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Secretary shall maintain in accordance with sections 313(b)(2) and 313B(f).

“(d) **NUMBER OF GRANTS.**—Loans and grants required under this section shall be made to the full extent of the amounts made available under subsection (e).

“(e) **FUNDING.**—

“(1) **DISCRETIONARY FUNDING.**—In addition to other funds that are available to carry out this section, there is authorized to be appropriated not more than \$10,000,000 for each of fiscal years 2019 through 2023 to carry out this section, to remain available until expended.

“(2) **MANDATORY FUNDING.**—Of the funds of the Commodity Credit Corporation, the Secretary shall credit to the subaccount to use for the cost of grants and loans under this section \$5,000,000 for each of fiscal years 2022 and 2023, to remain available until expended.

“(3) **OTHER FUNDS.**—In addition to the funds described in paragraphs (1) and (2), the Secretary shall use, without fiscal year limitation, to provide grants and loans under this section—

“(A) the interest differential sums credited to the subaccount described in subsection (c); and

“(B) subject to section 313A(e)(2), the fees described in subsection (c)(4) of such section.

“(f) **MAINTENANCE OF ACCOUNT.**—The Secretary shall maintain the subaccount described in section 313(b)(2), as in effect in fiscal year 2017, for purposes of carrying out this section.”

(d) Section 313A of the Rural Electrification Act of 1936 (7 U.S.C. 940c-1) is amended—

(1) in subsection (c)(4)—

(A) in subparagraph (A), by striking “maintained under section 313(b)(2)(A)” and inserting “that shall be maintained as required by sections 313(b)(2) and 313B(f)”; and

(B) in subparagraph (B), by striking “313(b)(2)(B)” and inserting “313(b)(2)”; and

(2) in subsection (e)(2), by striking “maintained under section 313(b)(2)(A)” and inserting “required to be maintained by sections 313(b)(2) and 313B(f)”.

(e)(1) Subject to section 313B(e) of the Rural Electrification Act of 1936 (as added by this section), the Secretary of Agriculture shall carry out the loan and grant program required under such section in the same manner as the loan and grant program under section 313(b)(2) of such Act is carried out on the day before the date of the enactment of this Act, until such time as any regulations necessary to carry out the amendments made by this section are fully implemented.

(2) Paragraph (1) shall take effect on the date of the enactment of this Act.

**SEC. 6505. GUARANTEES FOR BONDS AND NOTES ISSUED FOR ELECTRIFICATION OR TELEPHONE PURPOSES.**

(a) **IN GENERAL.**—Section 313A of the Rural Electrification Act of 1936 (7 U.S.C. 940c-1) is amended—

(1) in subsection (a)—

(A) by striking “Subject to” and inserting the following:

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- “(1) *GUARANTEES.*—*Subject to*”;
- (B) *in paragraph (1) (as so designated), by striking “basis” and all that follows through the period at the end and inserting “basis, if the proceeds of the bonds or notes are used to make utility infrastructure loans, or refinance bonds or notes issued for those purposes, to a borrower that has at any time received, or is eligible to receive, a loan under this Act.”; and*
- (C) *by adding at the end the following:*
- “(2) *TERMS.*—*A bond or note guaranteed under this section shall, by agreement between the Secretary and the borrower—*
- “(A) *be for a term of 30 years (or another term of years that the Secretary determines is appropriate); and*
- “(B) *be repaid by the borrower—*
- “(i) *in periodic installments of principal and interest;*
- “(ii) *in periodic installments of interest and, at the end of the term of the bond or note, as applicable, by the repayment of the outstanding principal; or*
- “(iii) *through a combination of the methods described in clauses (i) and (ii).”;*
- (2) *in subsection (b)—*
- (A) *in paragraph (1), by striking “electrification” and all that follows through the period at the end and inserting “purposes described in subsection (a)(1).”;*
- (B) *by striking paragraph (2);*
- (C) *by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively; and*
- (D) *in paragraph (2) (as so redesignated)—*
- (i) *in subparagraph (A), by striking “for electrification or telephone purposes” and inserting “for eligible purposes described in subsection (a)(1).”;* and
- (ii) *in subparagraph (C), by striking “subsection (a)” and inserting “subsection (a)(1).”;* and
- (3) *in subsection (f), by striking “2018” and inserting “2023”.*
- (b) *ADMINISTRATION.*—*Beginning on the date of enactment of the Agriculture Improvement Act of 2018, the Secretary shall continue to carry out section 313A of the Rural Electrification Act of 1936 (7 U.S.C. 940c–1) (as amended by subsection (a)) under a Notice of Solicitation of Applications until the date on which any regulations necessary to carry out the amendments made by subsection (a) are fully implemented.*
- SEC. 6506. EXPANSION OF 911 ACCESS.**
- Section 315 of the Rural Electrification Act of 1936 (7 U.S.C. 940e) is amended—*
- (1) *in subsection (a)(2), by striking “commercial or transportation” and inserting “critical transportation-related”; and*
- (2) *in subsection (d), by striking “2018” and inserting “2023”.*
- SEC. 6507. CYBERSECURITY AND GRID SECURITY IMPROVEMENTS.**
- Title III of the Rural Electrification Act of 1936 (7 U.S.C. 931 et seq.) is amended by adding at the end the following:*

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**“SEC. 319. CYBERSECURITY AND GRID SECURITY IMPROVEMENTS.**

“(a) *DEFINITION OF CYBERSECURITY AND GRID SECURITY IMPROVEMENTS.*—*In this section, the term ‘cybersecurity and grid security improvements’ means investment in the development, expansion, and modernization of rural utility infrastructure that addresses known cybersecurity and grid security risks.*

“(b) *LOANS AND LOAN GUARANTEES.*—*The Secretary may make or guarantee loans under this title and title I for cybersecurity and grid security improvements.*”.

**Subtitle F—Program Repeals****SEC. 6601. ELIMINATION OF UNFUNDED PROGRAMS.**

(a) *CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT.*—

(1) *REPEALERS.*—*The following provisions of the Consolidated Farm and Rural Development Act are hereby repealed:*

(A) *Section 306(a)(23) (7 U.S.C. 1926(a)(23)).*

(B) *Section 310B(f) (7 U.S.C. 1932(f)).*

(C) *Section 379 (7 U.S.C. 2008n).*

(D) *Section 379A (7 U.S.C. 2008o).*

(E) *Section 379C (7 U.S.C. 2008q).*

(F) *Section 379D (7 U.S.C. 2008r).*

(G) *Section 379F (7 U.S.C. 2008t).*

(H) *Subtitle I (7 U.S.C. 2009dd–2009dd–7).*

(2) *CONFORMING AMENDMENT.*—*Section 333A(h) of such Act (7 U.S.C. 1983a(h)) is amended by striking “310B(f).”.*

(b) *RURAL ELECTRIFICATION ACT OF 1936.*—*Section 314 of the Rural Electrification Act of 1936 (7 U.S.C. 940d) is hereby repealed.*

**SEC. 6602. REPEAL OF RURAL TELEPHONE BANK.**

(a) *REPEAL.*—*Title IV of the Rural Electrification Act of 1936 (7 U.S.C. 941–950b) is repealed.*

(b) *CONFORMING AMENDMENTS.*—

(1) *Section 18 of such Act (7 U.S.C. 918) is amended in each of subsections (a) and (b) by striking “and the Governor of the telephone bank”.*

(2) *Section 204 of such Act (7 U.S.C. 925) is amended by striking “and the Governor of the telephone bank”.*

(3) *Section 205(a) of such Act (7 U.S.C. 926) is amended—*

(A) *in the matter preceding paragraph (1), by striking “and the Governor of the telephone bank”; and*

(B) *in paragraph (2), by striking “or the Governor of the telephone bank”.*

(4) *Section 206(a) of such Act (7 U.S.C. 927(a)) is amended—*

(A) *in the matter preceding paragraph (1), by striking “and the Governor of the telephone bank”;*

(B) *by striking paragraph (1);*

(C) *in paragraph (4), by striking “or 408”; and*

(D) *by redesignating paragraphs (2) through (4) as paragraphs (1) through (3), respectively.*

(5) *Section 206(b) of such Act (7 U.S.C. 927(b)) is amended—*

(A) *in the matter preceding paragraph (1), by striking “and the Governor of the telephone bank”;*

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(B) in paragraph (1), by striking “, or a Rural Telephone Bank loan,”; and

(C) in paragraph (2), by striking “, the Rural Telephone Bank.”

(6) Section 207(1) of such Act (7 U.S.C. 928(1)) is amended—

(A) by striking “305,” and inserting “305 or”; and

(B) by striking “, or a loan under section 408.”

(7) Section 301 of such Act (7 U.S.C. 931) is amended—

(A) in paragraph (3), by striking “except for net collection proceeds previously appropriated for the purchase of class A stock in the Rural Telephone Bank,”;

(B) by adding “or” at the end of paragraph (4);

(C) by striking “; and” at the end of paragraph (5) and inserting a period; and

(D) by striking paragraph (6).

(8) Section 305(d)(2)(B) of such Act (7 U.S.C. 935(d)(2)(B)) is amended—

(A) in clause (i), by striking “and a loan under section 408”; and

(B) in clause (ii), by striking “and under section 408” each place it appears.

(9) Section 305(d)(3)(C) of such Act (7 U.S.C. 935(d)(3)(C)) is amended by striking “and section 408(b)(4)(C), the Secretary and the Governor of the telephone bank” and inserting “the Secretary”.

(10) Section 306 of such Act (7 U.S.C. 936) is amended by striking “the Rural Telephone Bank, National Rural Utilities Cooperative Finance Corporation,” and inserting “the National Rural Utilities Cooperative Finance Corporation”.

(11) Section 309 of such Act (7 U.S.C. 739) is amended by striking the last sentence.

(12) Section 2352(b) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 901 note) is amended by striking “the Rural Telephone Bank and”.

(13) The first section of Public Law 92–12 (7 U.S.C. 921a) is repealed.

(14) The first section of Public Law 92–324 (7 U.S.C. 921b) is repealed.

(15) Section 1414 of the Omnibus Budget Reconciliation Act of 1987 (7 U.S.C. 944a) is repealed.

(16) Section 1411 of the Omnibus Budget Reconciliation Act of 1987 (7 U.S.C. 948 notes) is amended by striking subsections (a) and (b).

(17) Section 3.8(b)(1)(A) of the Farm Credit Act of 1971 (12 U.S.C. 2129(b)(1)(A)) is amended by striking “or a loan or loan commitment from the Rural Telephone Bank,”.

(18) Section 105(d) of the National Consumer Cooperative Bank Act (12 U.S.C. 3015(d)) is amended by striking “the Rural Telephone Bank,”.

(19) Section 9101 of title 31, United States Code, is amended—

(A) in paragraph (2), by striking subparagraph (H) and redesignating subparagraphs (I), (J), and (K) as subparagraphs (H), (I), and (J), respectively; and

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(B) in paragraph (3), by striking subparagraphs (K) and (O) and redesignating subparagraphs (L) through (N) and (P) through (R) as subparagraphs (K) through (P), respectively.

(20) Section 9108(d)(2) of title 31, United States Code, is amended by striking “the Rural Telephone Bank (when the ownership, control, and operation of the Bank are converted under section 410(a) of the Rural Electrification Act of 1936 (7 U.S.C. 950(a)),”.

**SEC. 6603. AMENDMENTS TO LOCAL TV ACT.**

The *Launching Our Communities’ Access to Local Television Act of 2000* (title X of H.R. 5548 of the 106th Congress, as enacted by section 1(a)(2) of Public Law 106–553; 114 Stat. 2762A–128) is amended—

(1) by striking the title heading and inserting the following:

**“TITLE X—SATELLITE CARRIER  
RETRANSMISSION ELIGIBILITY”;**

(2) by striking sections 1001 through 1007 and 1009 through 1012; and

(3) by redesignating section 1008 as section 1001.

**Subtitle G—Technical Corrections**

**SEC. 6701. CORRECTIONS RELATING TO THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT.**

(a)(1) Section 306(a)(19)(A) of the *Consolidated Farm and Rural Development Act* (7 U.S.C. 1926(a)(19)(A)) is amended by inserting after “nonprofit corporations” the following: “, Indian Tribes (as defined in section 4(e) of the *Indian Self-Determination and Education Assistance Act*)”.

(2) The amendment made by this subsection shall take effect as if included in section 773 of the *Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001* (H.R. 5426 of the 106th Congress, as enacted by Public Law 106–387 (114 Stat. 1549A–45)) in lieu of the amendment made by such section.

(b)(1) Section 309A(b) of the *Consolidated Farm and Rural Development Act* (7 U.S.C. 1929a(b)) is amended by striking “and section 308”.

(2) The amendment made by this subsection shall take effect as if included in the enactment of section 661(c)(2) of the *Federal Agricultural Improvement and Reform Act of 1996* (Public Law 104–127).

(c) Section 310B(c)(3)(A)(v) of the *Consolidated Farm and Rural Development Act* (7 U.S.C. 1932(c)(3)(A)(v)) is amended by striking “and” after the semicolon and inserting “or”.

(d)(1) Section 310B(e)(5)(F) of the *Consolidated Farm and Rural Development Act* (7 U.S.C. 1932(e)(5)(F)) is amended by inserting “, except that the Secretary shall not require non-Federal financial support in an amount that is greater than 5 percent in the case of a 1994 institution (as defined in section 532 of the *Equity*



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in *Educational Land-Grant Status Act of 1994* (7 U.S.C. 301 note; Public Law 103–382))” before the period at the end.

(2) The amendment made by this subsection shall take effect as if included in the enactment of section 6015 of the *Farm Security and Rural Investment Act of 2002* (Public Law 107–171).

(e)(1) Section 381E(d)(3) of the *Consolidated Farm and Rural Development Act* (7 U.S.C. 2009d(d)(3)) is amended by striking subparagraph (A) and redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively.

(2) The amendment made by paragraph (1) shall take effect as if included in the enactment of section 6012(b) of the *Agricultural Act of 2014* (Public Law 113–79).

(f)(1) Section 382A of the *Consolidated Farm and Rural Development Act* (7 U.S.C. 2009aa) is amended by adding at the end the following:

“(4) Notwithstanding any other provision of law, the State of Alabama shall be a full member of the Delta Regional Authority and shall be entitled to all rights and privileges that said membership affords to all other participating States in the Delta Regional Authority.”

(2) The amendment made by this subsection shall take effect as if included in the enactment of section 153(b) of division B of H.R. 5666, as introduced in the 106th Congress, and as enacted by section 1(4) of the *Consolidated Appropriations Act, 2001* (Appendix D of Public Law 106–554; 114 Stat. 2763A–252).

(g) Section 382E(a)(1)(B) of the *Consolidated Farm and Rural Development Act* (7 U.S.C. 2009aa-4(a)(1)(B)) is amended by moving clause (iv) 2 ems to the right.

(h) Section 383G(c) of the *Consolidated Farm and Rural Development Act* (7 U.S.C. 2009bb-5(c)) is amended—

(1) in the subsection heading by striking “TELECOMMUNICATION RENEWABLE ENERGY,” and inserting “TELECOMMUNICATION, RENEWABLE ENERGY,”; and

(2) in the text, by striking “,” and inserting a comma.

**SEC. 6702. CORRECTIONS RELATING TO THE RURAL ELECTRIFICATION ACT OF 1936.**

Section 201 of the *Rural Electrification Act of 1936* (7 U.S.C. 922) is amended—

(1) in the 3rd sentence by striking “wildest” and inserting “widest”; and

(2) in the 6th sentence, by striking “certifies” and inserting “certifies”.



**TITLE VII—RESEARCH, EXTENSION, AND RELATED MATTERS**

**Subtitle A—National Agricultural Research, Extension, and Teaching Policy Act of 1977**

**SEC. 7101. PURPOSES OF AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION.**

*Section 1402 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3101) is amended—*

- (1) in paragraph (7), by striking “and” at the end;*
- (2) in paragraph (8), by striking the period at the end and inserting “; and”; and*
- (3) by adding at the end the following:*
  - “(9) support international collaboration that leverages resources and advances priority food and agricultural interests of the United States, such as—*
    - “(A) addressing emerging plant and animal diseases;*
    - “(B) improving crop varieties and animal breeds; and*
    - “(C) developing safe, efficient, and nutritious food systems.”.*

**SEC. 7102. MATTERS RELATED TO CERTAIN SCHOOL DESIGNATIONS AND DECLARATIONS.**

*(a) IN GENERAL.—Section 1404(14) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103(14)) is amended—*

- (1) by amending subparagraph (A) to read as follows:*

*“(A) IN GENERAL.—*

*“(i) DEFINITION.—The terms ‘NLGCA Institution’ and ‘non-land-grant college of agriculture’ mean a public college or university offering a baccalaureate or higher degree in the study of agricultural sciences, forestry, or both in any area of study specified in clause (ii).*

*“(ii) CLARIFICATION.—For purposes of clause (i), an area of study specified in this clause is any of the following:*

- “(I) Agriculture.*
- “(II) Agricultural business and management.*
- “(III) Agricultural economics.*
- “(IV) Agricultural mechanization.*
- “(V) Agricultural production operations.*
- “(VI) Aquaculture.*
- “(VII) Agricultural and food products processing.*
- “(VIII) Agricultural and domestic animal services.*
- “(IX) Equestrian or equine studies.*
- “(X) Applied horticulture or horticulture operations.*
- “(XI) Ornamental horticulture.*

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“(XII) Greenhouse operations and management.

“(XIII) Turf and turfgrass management.

“(XIV) Plant nursery operations and management.

“(XV) Floriculture or floristry operations and management.

“(XVI) International agriculture.

“(XVII) Agricultural public services.

“(XVIII) Agricultural and extension education services.

“(XIX) Agricultural communication or agricultural journalism.

“(XX) Animal sciences.

“(XXI) Food science.

“(XXII) Plant sciences.

“(XXIII) Soil sciences.

“(XXIV) Forestry.

“(XXV) Forest sciences and biology.

“(XXVI) Natural resources or conservation.

“(XXVII) Natural resources management and policy.

“(XXVIII) Natural resource economics.

“(XXIX) Urban forestry.

“(XXX) Wood science and wood products or pulp or paper technology.

“(XXXI) Range science and management.

“(XXXII) Agricultural engineering.

“(XXXIII) Any other area, as determined appropriate by the Secretary.”; and

(2) in subparagraph (C)—

(A) in the matter preceding clause (i), by inserting “any institution designated under” after “include”;

(B) by striking clause (i); and

(C) in clause (ii)—

(i) by striking “(ii) any institution designated under—”;

(ii) by striking subclause (IV);

(iii) in subclause (II), by adding “or” at the end;

(iv) in subclause (III), by striking “; or” at the end and inserting a period; and

(v) by redesignating subclauses (I), (II), and (III) (as so amended) as clauses (i), (ii), and (iii), respectively, and by moving the margins of such clauses (as so redesignated) two ems to the left.

(b) DESIGNATION REVIEW.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall establish a process to review each designated NLGCA Institution (as defined in section 1404(14)(A) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103(14)(A))) to ensure compliance with such section, as amended by this subsection.

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(2) *REVOCATION.*—An NLGCA Institution that the Secretary determines under subparagraph (A) to be not in compliance shall have the designation of such institution revoked.

**SEC. 7103. NATIONAL AGRICULTURAL RESEARCH, EXTENSION, EDUCATION, AND ECONOMICS ADVISORY BOARD.**

Section 1408 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking “25” and inserting “15”; and

(B) by amending paragraph (3) to read as follows:

“(3) *MEMBERSHIP CATEGORIES.*—The Advisory Board shall consist of members from each of the following categories:

“(A) 3 members representing national farm or producer organizations, which may include members—

“(i) representing farm cooperatives;

“(ii) who are producers actively engaged in the production of a food animal commodity and who are recommended by a coalition of national livestock organizations;

“(iii) who are producers actively engaged in the production of a plant commodity and who are recommended by a coalition of national crop organizations; or

“(iv) who are producers actively engaged in aquaculture and who are recommended by a coalition of national aquacultural organizations.

“(B) 2 members representing academic or research societies, which may include members representing—

“(i) a national food animal science society;

“(ii) a national crop, soil, agronomy, horticulture, plant pathology, or weed science society;

“(iii) a national food science organization;

“(iv) a national human health association; or

“(v) a national nutritional science society.

“(C) 5 members representing agricultural research, extension, and education, which shall include each of the following:

“(i) 1 member representing the land-grant colleges and universities eligible to receive funds under the Act of July 2, 1862 (7 U.S.C. 301 et seq.).

“(ii) 1 member representing the land-grant colleges and universities eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321 et seq.), including Tuskegee University.

“(iii) 1 member representing the 1994 Institutions (as defined in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382)).

“(iv) 1 member representing NLGCA Institutions or Hispanic-serving institutions.

“(v) 1 member representing American colleges of veterinary medicine.

“(D) 5 members representing industry, consumer, or rural interests, including members representing—

“(i) entities engaged in transportation of food and agricultural products to domestic and foreign markets;

“(ii) food retailing and marketing interests;

“(iii) food and fiber processors;

“(iv) rural economic development interests;

“(v) a national consumer interest group;

“(vi) a national forestry group;

“(vii) a national conservation or natural resource group;

“(viii) a national social science association;

“(ix) private sector organizations involved in international development; or

“(x) a national association of agricultural economists.”;

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking “review and” and inserting “make recommendations, review, and”;

(ii) by striking subparagraph (A) and inserting the following new subparagraph:

“(A) long-term and short-term national policies and priorities consistent with the—

“(i) purposes specified in section 1402 for agricultural research, extension, education, and economics; and

“(ii) priority areas of the Agriculture and Food Research Initiative specified in subsection (b)(2) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 3157(b)(2));”;

(iii) by amending subparagraph (B) to read as follows:

“(B) the annual establishment of national priorities that are in accordance with the priority areas of the Agriculture and Food Research Initiative specified in subsection (b)(2) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 3157(b)(2)).”;

(B) in paragraph (2), by inserting “and make recommendations to the Secretary based on such evaluation” after “priorities”; and

(C) in paragraph (4), by inserting “and make recommendations on” after “review”; and

(3) in subsection (h), by striking “2018” and inserting “2023”.

**SEC. 7104. SPECIALTY CROP COMMITTEE.**

Section 1408A(a)(2) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123a(a)(2)) is amended—

(1) in subparagraph (A), by striking “speciality” and inserting “specialty”;

(2) in subparagraph (B)—

(A) in the matter preceding clause (i), by striking “9” and inserting “11”; and

(B) in clause (i), by striking “Three” and inserting “Five”; and

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(3) in subparagraph (D), by striking “2018” and inserting “2023”.

**SEC. 7105. RENEWABLE ENERGY COMMITTEE DISCONTINUED.**

Subtitle B of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3121 et seq.) is amended by striking section 1408B.

**SEC. 7106. VETERINARY SERVICES GRANT PROGRAM.**

Section 1415B of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3151b) is amended—

(1) in subsection (d)(1), by adding at the end the following:  
“(F) To expose students in grades 11 and 12 to education and career opportunities in food animal medicine.”;  
and

(2) in subsection (h)—

(A) by striking the subsection designation and heading and inserting the following:

“(h) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—”; and

(B) by adding at the end the following:

“(2) PRIORITY.—From amounts made available for grants under this section, the Secretary shall prioritize grant awards for programs or activities with a focus on the practice of food animal medicine.”.

**SEC. 7107. GRANTS AND FELLOWSHIPS FOR FOOD AND AGRICULTURE SCIENCES EDUCATION.**

Section 1417(m)(2) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3152(m)(2)) is amended by striking “2018” and inserting “2023”.

**SEC. 7108. AGRICULTURAL AND FOOD POLICY RESEARCH CENTERS.**

Section 1419A(e) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3155(e)) is amended by striking “2018” and inserting “2023”.

**SEC. 7109. EDUCATION GRANTS TO ALASKA NATIVE SERVING INSTITUTIONS AND NATIVE HAWAIIAN SERVING INSTITUTIONS.**

Section 1419B of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3156) is amended—

(1) in subsection (a)(3), by striking “2018” and inserting “2023”; and

(2) in subsection (b)(3), by striking “2018” and inserting “2023”.

**SEC. 7110. NEXT GENERATION AGRICULTURE TECHNOLOGY CHALLENGE.**

Subtitle C of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3151 et seq.) is amended by adding at the end the following:

“**SEC. 1419C. NEXT GENERATION AGRICULTURE TECHNOLOGY CHALLENGE.**

“(a) IN GENERAL.—The Secretary shall establish a next generation agriculture technology challenge competition to provide an incentive for the development of innovative mobile technology that removes barriers to entry in the marketplace for beginning farmers and ranchers (as defined in subsection (a) of section 2501 of the



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*Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279)).*

*“(b) AMOUNT.—The Secretary may award not more than \$1,000,000 in the aggregate to 1 or more winners of the competition under subsection (a).”.*

**SEC. 7111. LAND-GRANT DESIGNATION.**

*Subtitle C of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3151 et seq.), as amended by section 7110, is further amended by adding at the end the following new section:*

**“SEC. 1419D. LAND-GRANT DESIGNATION.**

*“(a) PROHIBITION ON DESIGNATION.—*

*“(1) IN GENERAL.—Notwithstanding any other provision of law and except as provided in paragraphs (2) and (3), beginning on the date of the enactment of this section, no additional entity may be designated as eligible to receive funds under a covered program.*

*“(2) 1994 INSTITUTIONS.—The prohibition under paragraph (1) with respect to the designation of an entity eligible to receive funds under a covered program shall not apply in the case of the certification of a 1994 Institution under section 2 of Public Law 87–788 (commonly known as the “McIntire-Stennis Cooperative Forestry Act”) (16 U.S.C. 582a–1).*

*“(3) EXTRAORDINARY CIRCUMSTANCES.—In the case of extraordinary circumstances or a situation that would lead to an inequitable result, as determined by the Secretary, the Secretary may determine that an entity designated after the date of enactment of this section is eligible to receive funds under a covered program.*

*“(b) STATE FUNDING.—No State shall receive an increase in funding under a covered program as a result of the State’s designation of additional entities as eligible to receive such funding.*

*“(c) COVERED PROGRAM DEFINED.—For purposes of this section, the term ‘covered program’ means agricultural research, extension, education, and related programs or grants established or available under any of the following:*

*“(1) Subsections (b), (c), and (d) of section 3 of the Smith-Lever Act (7 U.S.C. 343).*

*“(2) The Hatch Act of 1887 (7 U.S.C. 361a et seq.).*

*“(3) Sections 1444, 1445, and 1447.*

*“(4) Public Law 87–788 (commonly known as the McIntire-Stennis Cooperative Forestry Act; 16 U.S.C. 582a et seq.).*

*“(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as limiting eligibility for a capacity and infrastructure program specified in section 251(f)(1)(C) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6971(f)(1)(C)) that is not a covered program.”.*

**SEC. 7112. NUTRITION EDUCATION PROGRAM.**

*Section 1425 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3175) is amended—*

*(1) by redesignating subsection (f) as subsection (g);*

*(2) by inserting after subsection (e) the following:*

*“(f) COORDINATION.—Projects carried out with funds made available under section 3(d) of the Act of May 8, 1914 (7 U.S.C.*



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343(d)), to carry out the program established under subsection (b) may be coordinated with the nutrition education and obesity prevention grant program under section 28 of the Food and Nutrition Act of 2008 (7 U.S.C. 2036a) or another health promotion or nutrition improvement strategy, whether publicly or privately funded, as determined by the Secretary.”; and

(3) in subsection (g) (as so redesignated), by striking “2018” and inserting “2023”.

**SEC. 7113. CONTINUING ANIMAL HEALTH AND DISEASE RESEARCH PROGRAMS.**

Section 1433(c)(1) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3195(c)(1)) is amended by striking “2018” and inserting “2023”.

**SEC. 7114. CARRYOVER OF FUNDS FOR EXTENSION AT 1890 LAND-GRANT COLLEGES, INCLUDING TUSKEGEE UNIVERSITY.**

Section 1444(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3221(a)) is amended by striking paragraph (4).

**SEC. 7115. EXTENSION AND AGRICULTURAL RESEARCH AT 1890 LAND-GRANT COLLEGES, INCLUDING TUSKEGEE UNIVERSITY.**

(a) *EXTENSION.*—Section 1444(b) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3221(b)) is amended—

(1) in the undesignated matter following paragraph (2)(B)—

(A) by striking “paragraph (2) of this subsection” and inserting “this paragraph”; and

(B) by striking “In computing” and inserting the following:

“(C) In computing”;

(2) in paragraph (2)—

(A) in subparagraph (B), by striking “Of the remainder” and inserting “Except as provided in paragraph (4), of the remainder”; and

(B) by striking “(2) any funds” and inserting the following:

“(3) *ADDITIONAL AMOUNT.*—Any funds”;

(3) in paragraph (1)—

(A) by striking “are allocated” and inserting “were allocated”; and

(B) by striking “; and” and inserting “; as so designated as of that date.”;

(4) by striking “(b) Beginning” in the matter preceding paragraph (1) and all that follows through “any funds” in paragraph (1) and inserting the following:

“(b) *DISTRIBUTION OF FUNDS.*—

“(1) *IN GENERAL.*—Funds made available under this section shall be distributed among eligible institutions in accordance with this subsection.

“(2) *BASE AMOUNT.*—Any funds”; and

(5) by adding at the end the following:

“(4) *SPECIAL AMOUNTS.*—

“(A) *DEFINITIONS.*—In this paragraph:

“(i) *COVERED FISCAL YEAR.*—The term ‘covered fiscal year’ means the fiscal year for which the qualified eligible institution first received an allocation of \$3,000,000 under subparagraph (B)(i).

“(ii) *OTHER ELIGIBLE INSTITUTION.*—The term ‘other eligible institution’ means an eligible institution, other than the qualified eligible institution, receiving an allocation of funds under this section.

“(iii) *QUALIFIED ELIGIBLE INSTITUTION.*—The term ‘qualified eligible institution’ means the eligible institution described in subparagraph (B)(i).

“(B) *FISCAL YEAR 2019, 2020, 2021, OR 2022.*—

“(i) *IN GENERAL.*—Subject to clause (ii), for 1 of fiscal year 2019, 2020, 2021, or 2022, if the calculation under paragraph (3)(B) would result in a distribution for a fiscal year of less than \$3,000,000 to an eligible institution that first received funds under this section on a date occurring after the date of enactment of the Agricultural Act of 2014 (Public Law 113–79; 128 Stat. 649) and before September 30, 2018, that institution shall receive an allocation of \$3,000,000 for that fiscal year.

“(ii) *LIMITATION.*—Clause (i) shall apply only if amounts are appropriated under this section in an amount sufficient to provide that each other eligible institution receiving an allocation of funds under this section for fiscal year 2019, 2020, 2021, or 2022, as applicable, receives not less than the amount of funds received by that other eligible institution under this section for the preceding fiscal year.

“(C) *SUBSEQUENT FISCAL YEARS.*—

“(i) *MINIMUM ADDITIONAL FUNDING AMOUNTS.*—Subject to clauses (ii) and (iii), for each fiscal year following the covered fiscal year—

“(I) the qualified eligible institution shall receive an allocation under this subsection of at least \$3,000,000; and

“(II) each other eligible institution shall receive an allocation under this subsection of at least the amount received by such other eligible institution under this subsection for the covered fiscal year.

“(ii) *SHORTFALL OF SPECIAL AMOUNTS.*—

“(I) *APPLICABILITY.*—This clause shall apply to any fiscal year following the covered fiscal year and for which the total amount appropriated under this section is insufficient to provide for the minimum additional funding amounts described in clause (i).

“(II) *REDUCTIONS IN ALLOCATIONS.*—In the case of a fiscal year to which this clause applies, reductions in allocations shall be made proportionally from the qualified eligible institution and from each other eligible institution based on the increased amounts (if any) that the qualified eligible institution and each other eligible institution were

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allocated for the covered fiscal year as compared to the fiscal year immediately preceding the covered fiscal year.

“(iii) *EFFECT OF CENSUS.*—Clauses (i) and (ii) shall not apply in any fiscal year for which a shortfall in the minimum additional funding amounts described in clause (i) is attributable to the incorporation of new census data into the calculation under paragraph (3), as determined by the Secretary.”

(b) *RESEARCH.*—Section 1445(b) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222(b)) is amended—

(1) in paragraph (2)—

(A) by adding at the end the following:

“(D) *SPECIAL AMOUNTS.*—

“(i) *DEFINITIONS.*—In this subparagraph:

“(I) *COVERED FISCAL YEAR.*—The term ‘covered fiscal year’ means the fiscal year for which the qualified eligible institution first received an allocation of \$3,000,000 under clause (ii)(I).

“(II) *OTHER ELIGIBLE INSTITUTION.*—The term ‘other eligible institution’ means an eligible institution, other than the qualified eligible institution, receiving an allocation of funds under this section.

“(III) *QUALIFIED ELIGIBLE INSTITUTION.*—The term ‘qualified eligible institution’ means the eligible institution described in clause (ii)(I).

“(ii) *FISCAL YEAR 2019, 2020, 2021, OR 2022.*—

“(I) *IN GENERAL.*—Subject to subclause (II), for 1 of fiscal year 2019, 2020, 2021, or 2022, if the calculation under subparagraph (C) would result in a distribution for a fiscal year of less than \$3,000,000 to an eligible institution that first received funds under this section on a date occurring after the date of enactment of the Agricultural Act of 2014 (Public Law 113–79; 128 Stat. 649) and before September 30, 2018, that institution shall receive an allocation of \$3,000,000 for that fiscal year.

“(II) *LIMITATION.*—Subclause (I) shall apply only if amounts are appropriated under this section in an amount sufficient to provide that each other eligible institution receiving an allocation of funds under this section for fiscal year 2019, 2020, 2021, or 2022, as applicable, receives not less than the amount of funds received by that other eligible institution under this section for the preceding fiscal year.

“(iii) *SUBSEQUENT FISCAL YEARS.*—

“(I) *MINIMUM ADDITIONAL FUNDING AMOUNTS.*—Subject to subclauses (II) and (III), for each fiscal year following the covered fiscal year—

“(aa) the qualified eligible institution shall receive an allocation under this paragraph of at least \$3,000,000; and

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*“(bb) each other eligible institution shall receive an allocation under this paragraph of at least the amount received by such other eligible institution under this subsection for the covered fiscal year.*

*“(II) SHORTFALL OF SPECIAL AMOUNTS.—*

*“(aa) APPLICABILITY.—This subclause shall apply to any fiscal year following the covered fiscal year and for which the total amount appropriated under this subsection is insufficient to provide for the minimum additional funding amounts described in subclause (I).*

*“(bb) REDUCTIONS IN ALLOCATIONS.—In the case of a fiscal year to which this subclause applies, reductions in allocations shall be made proportionally from the qualified eligible institution and from each other eligible institution based on the increased amounts (if any) that the qualified eligible institution and each other eligible institution were allocated for the covered fiscal year as compared to the fiscal year immediately preceding the covered fiscal year.*

*“(III) EFFECT OF CENSUS.—Subclauses (I) and (II) shall not apply in any fiscal year for which a shortfall in the minimum additional funding amounts described in subclause (I) is attributable to the incorporation of new census data into the calculation under paragraph (3)(C), as determined by the Secretary.”;*

*(B) in subparagraph (B), by striking “(B) Of funds” and inserting the following:*

*“(C) ADDITIONAL AMOUNT.—Except as provided in subparagraph (D), of funds”;*

*(C) in subparagraph (A)—*

*(i) by striking “are allocated” and inserting “were allocated”;*

*(ii) by inserting “, as so designated as of that date” before the period at the end; and*

*(iii) by striking “(A) Funds” and inserting the following:*

*“(B) BASE AMOUNT.—Funds”; and*

*(D) in the matter preceding subparagraph (B) (as so designated), by striking “(2) The” and all that follows through “follows.” and inserting the following:*

*“(3) DISTRIBUTIONS.—*

*“(A) IN GENERAL.—After allocating amounts under paragraph (2), the remainder shall be allotted among the eligible institutions in accordance with this paragraph.”;*

*(2) in paragraph (1), by striking “(1) Three per centum” and inserting the following:*

*“(2) ADMINISTRATION.—3 percent”; and*

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(3) in the matter preceding paragraph (2) (as so designated), by striking “(b) Beginning” and all that follows through “follows:” and inserting the following:

“(b) DISTRIBUTION OF FUNDS.—

“(1) IN GENERAL.—Funds made available under this section shall be distributed among eligible institutions in accordance with this subsection.”.

**SEC. 7116. REPORTS ON DISBURSEMENT OF FUNDS FOR AGRICULTURAL RESEARCH AND EXTENSION AT 1862 AND 1890 LAND-GRANT COLLEGES, INCLUDING TUSKEGEE UNIVERSITY.**

Not later than September 30, 2019, and each year thereafter, the Secretary shall annually submit to Congress a report describing the allocations made to, and matching funds received by, 1890 Institutions and 1862 Institutions (as those terms are defined in section 2 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7601) for each of the agricultural research, extension, education, and related programs established under—

(1) section 1444 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3221);

(2) section 1445 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222);

(3) subsections (b) and (c) of section 3 of the Smith-Lever Act (7 U.S.C. 343); and

(4) the Hatch Act of 1887 (7 U.S.C. 361a et seq.).

**SEC. 7117. SCHOLARSHIPS FOR STUDENTS AT 1890 INSTITUTIONS.**

Subtitle G of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 is amended by inserting after section 1445 (7 U.S.C. 3222) the following new section:

**“SEC. 1446. SCHOLARSHIPS FOR STUDENTS AT 1890 INSTITUTIONS.**

“(a) IN GENERAL.—

“(1) SCHOLARSHIP GRANT PROGRAM ESTABLISHED.—The Secretary shall make grants to each college or university eligible to receive funds under the Act of August 30, 1890 (commonly known as the Second Morrill Act; 7 U.S.C. 322 et seq.), including Tuskegee University, for purposes of awarding scholarships to individuals who—

“(A) have been accepted for admission at such college or university;

“(B) will be enrolled at such college or university not later than one year after the date of such acceptance; and

“(C) intend to pursue a career in the food and agricultural sciences, including a career in—

“(i) agribusiness;

“(ii) energy and renewable fuels; or

“(iii) financial management.

“(2) CONDITION.—The Secretary may only award a grant under this subsection to a college or university described in paragraph (1) if the Secretary determines that such college or university has established a competitive scholarship awards process for the award of scholarships to individuals described in such paragraph.



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“(3) *ANNUAL LIMITATION.*—Of the funds made available under subsection (b)(1), the Secretary may use not more than \$10,000,000 to award grants under this subsection for the academic year beginning on July 1, 2020, and each of the three succeeding academic years.

“(4) *AMOUNT OF GRANT.*—Each grant made under this section shall be in an amount of not less than \$500,000.

“(b) *FUNDING.*—

“(1) *MANDATORY FUNDING.*—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section \$40,000,000 not later than October 1, 2019, to remain available until expended.

“(2) *DISCRETIONARY FUNDING.*—In addition to amounts made available under paragraph (1), there is authorized to be appropriated to carry out this section \$10,000,000 for each of fiscal years 2020 through 2023.

“(3) *ADMINISTRATIVE EXPENSES.*—Of the funds made available under paragraphs (1) and (2) to carry out this section for a fiscal year, not more than 4 percent may be used for expenses related to administering the program under this section.

“(c) *REPORT.*—Beginning on the date that is two years after the date on which the first grant is awarded under subsection (a), and every two years thereafter, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report detailing—

“(1) the amount of funds provided to each eligible college or university under this section;

“(2) the number of scholarships awarded under each grant each fiscal year; and

“(3) the amount of each such scholarship.”

**SEC. 7118. GRANTS TO UPGRADE AGRICULTURAL AND FOOD SCIENCES FACILITIES AT 1890 LAND-GRANT COLLEGES, INCLUDING TUSKEGEE UNIVERSITY.**

Section 1447(b) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222b(b)) is amended by striking “2018” and inserting “2023”.

**SEC. 7119. GRANTS TO UPGRADE AGRICULTURE AND FOOD SCIENCES FACILITIES AND EQUIPMENT AT INSULAR AREA LAND-GRANT INSTITUTIONS.**

Section 1447B(d) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222b-2(d)) is amended by striking “2018” and inserting “2023”.

**SEC. 7120. NEW BEGINNING FOR TRIBAL STUDENTS.**

Subtitle G of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3221 et seq.) is amended by adding at the end the following:

**“SEC. 1450. NEW BEGINNING FOR TRIBAL STUDENTS.**

“(a) *DEFINITIONS.*—In this section:

“(1) *INDIAN TRIBE.*—The term ‘Indian tribe’ has the meaning given such term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304)).

“(2) *LAND-GRANT COLLEGE OR UNIVERSITY.*—The term ‘land-grant college or university’ includes a 1994 Institution (as



*defined in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (Public Law 103–382; 7 U.S.C. 301 note).*

*“(3) TRIBAL STUDENT.—The term ‘Tribal student’ means a student at a land-grant college or university that is a member of an Indian tribe.*

*“(b) NEW BEGINNING INITIATIVE.—*

*“(1) AUTHORIZATION.—The Secretary may make competitive grants to land-grant colleges and universities to provide identifiable support specifically targeted for Tribal students.*

*“(2) APPLICATION.—A land-grant college or university that desires to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.*

*“(3) USE OF FUNDS.—A land-grant college or university that receives a grant under this section shall use the grant funds to support Tribal students through—*

*“(A) recruiting;*

*“(B) tuition and related fees;*

*“(C) experiential learning; and*

*“(D) student services, including—*

*“(i) tutoring;*

*“(ii) counseling;*

*“(iii) academic advising; and*

*“(iv) other student services that would increase the retention and graduation rate of Tribal students enrolled at the land-grant college or university, as determined by the Secretary.*

*“(4) MATCHING FUNDS.—A land-grant college or university that receives a grant under this section shall provide matching funds toward the cost of carrying out the activities described in this section in an amount equal to not less than 100 percent of the grant award.*

*“(5) MAXIMUM AMOUNT PER STATE.—No State shall receive, through grants made under this section to land-grant colleges and universities located in the State, more than \$500,000 per year.*

*“(c) REPORT.—Not later than 3 years after the date of enactment of this section, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry and the Committee on Indian Affairs of the Senate a report that includes an itemized list of grant funds distributed under this section, including the specific form of assistance provided under subsection (b)(3), and the number of Tribal students assisted and the graduation rate of Tribal students at land-grant colleges and universities receiving grants under this section.*

*“(d) AUTHORIZATION OF APPROPRIATION.—There is authorized to be appropriated to carry out this section \$5,000,000 for each of fiscal years 2019 through 2023.”.*

**SEC. 7121. HISPANIC-SERVING INSTITUTIONS.**

*Section 1455(c) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3241(c)) is amended by striking “2018” and inserting “2023”.*

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**SEC. 7122. BINATIONAL AGRICULTURAL RESEARCH AND DEVELOPMENT.**

*Section 1458(e) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3291(e)) is amended—*

*(1) in the subsection heading, by striking “FULL PAYMENT OF FUNDS MADE AVAILABLE FOR CERTAIN” and inserting “CERTAIN”;*

*(2) by striking “Notwithstanding” and inserting the following:*

*“(1) FULL PAYMENT OF FUNDS.—Notwithstanding”;*

*(3) in paragraph (1) (as so designated)—*

*(A) by striking “Israel-United States” and inserting “United States-Israel”;* and

*(B) by inserting “(referred to in this subsection as the ‘BARD Fund’)” after “Development Fund”;* and

*(4) by adding at the end the following:*

*“(2) ACTIVITIES.—Activities under the BARD Fund to promote and support agricultural research and development that are of mutual benefit to the United States and Israel shall—*

*“(A) accelerate the demonstration, development, and application of agricultural solutions resulting from or relating to BARD Fund programs, including BARD Fund-sponsored research and innovations in drip irrigation, pesticides, aquaculture, livestock, poultry, disease control, and farm equipment; and*

*“(B) encourage research carried out by governmental, nongovernmental, and private entities, including through collaboration with colleges and universities, research institutions, and the private sector.”.*

**SEC. 7123. PARTNERSHIPS TO BUILD CAPACITY IN INTERNATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING.**

*The National Agricultural Research, Extension, and Teaching Policy Act of 1977 is amended by inserting after section 1458 (7 U.S.C. 3291) the following:*

**“SEC. 1458A. PARTNERSHIPS TO BUILD CAPACITY IN INTERNATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING.**

*“(a) DEFINITIONS.—In this section:*

*“(1) 1862 INSTITUTION; 1890 INSTITUTION; 1994 INSTITUTION.—The terms ‘1862 Institution’, ‘1890 Institution’, and ‘1994 Institution’ have the meanings given the terms in section 2 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7601).*

*“(2) COVERED INSTITUTION.—The term ‘covered Institution’ means—*

*“(A) an 1862 Institution;*

*“(B) an 1890 Institution;*

*“(C) a 1994 Institution;*

*“(D) an NLGCA Institution;*

*“(E) a Hispanic-serving agricultural college or university; and*

*“(F) a cooperating forestry school.*

*“(3) DEVELOPING COUNTRY.—The term ‘developing country’ means a country, as determined by the Secretary using a gross national income per capita test selected by the Secretary.*

*“(4) INTERNATIONAL PARTNER INSTITUTION.—The term ‘international partner institution’ means an agricultural higher education institution in a developing country that is performing, or desiring to perform, activities similar to agricultural research, extension, and teaching activities carried out through covered Institutions in the United States.*

*“(b) AUTHORITY OF THE SECRETARY.—The Secretary may promote cooperation and coordination between covered Institutions and international partner institutions through—*

*“(1) improving extension by—*

*“(A) encouraging the exchange of research materials and results between covered Institutions and international partner institutions;*

*“(B) facilitating the broad dissemination of agricultural research through extension; and*

*“(C) assisting with efforts to plan and initiate extension services in developing countries;*

*“(2) improving agricultural research by—*

*“(A) in partnership with international partner institutions, encouraging research that addresses problems affecting food production and security, human nutrition, agriculture, forestry, livestock, and fisheries, including local challenges; and*

*“(B) supporting and strengthening national agricultural research systems in developing countries;*

*“(3) supporting the participation of covered Institutions in programs of international organizations, such as the United Nations, the World Bank, regional development banks, and international agricultural research centers;*

*“(4) improving agricultural teaching and education by—*

*“(A) in partnership with international partner institutions, supporting education and teaching relating to food and agricultural sciences, including technical assistance, degree training, research collaborations, classroom instruction, workforce training, and education programs; and*

*“(B) assisting with efforts to increase student capacity, including to encourage equitable access for women and other underserved populations, at international partner institutions by promoting partnerships with, and improving the capacity of, covered Institutions;*

*“(5) assisting covered Institutions in strengthening their capacity for food, agricultural, and related research, extension, and teaching programs relevant to agricultural development activities in developing countries to promote the application of new technology to improve education delivery;*

*“(6) providing support for the internationalization of resident instruction programs of covered Institutions;*

*“(7) establishing a program, to be coordinated by the Director of the National Institute of Food and Agriculture and the Administrator of the Foreign Agricultural Service, to place interns from covered Institutions in, or in service to benefit, developing countries; and*

*“(8) establishing a program to provide fellowships to students at covered Institutions to study at foreign agricultural colleges and universities.*

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“(c) *ENHANCING LINKAGES.*—*The Secretary shall enhance the linkages among covered Institutions, the Federal Government, international research centers, counterpart research, extension, and teaching agencies and institutions in developed countries and developing countries—*

“(1) *to carry out the activities described in subsection (b); and*

“(2) *to make a substantial contribution to the cause of improved food and agricultural progress throughout the world.*

“(d) *AUTHORIZATION OF APPROPRIATIONS.*—*There is authorized to be appropriated to carry out this section \$10,000,000 for each of fiscal years 2019 through 2023.*”.

**SEC. 7124. COMPETITIVE GRANTS FOR INTERNATIONAL AGRICULTURAL SCIENCE AND EDUCATION PROGRAMS.**

*Section 1459A(c)(2) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3292b(c)(2)) is amended by striking “2018” and inserting “2023”.*

**SEC. 7125. LIMITATION ON INDIRECT COSTS FOR AGRICULTURAL RESEARCH, EDUCATION, AND EXTENSION PROGRAMS.**

*Section 1462 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3310) is amended—*

“(1) *in subsection (a), by striking “22 percent” and inserting “30 percent”;*

“(2) *in subsection (b), by striking “Subsection (a)” and inserting “Subsections (a) and (c)”;* and

“(3) *by adding at the end the following:*

“(c) *TREATMENT OF SUBGRANTS.*—*In the case of a grant described in subsection (a), the limitation on indirect costs specified in such subsection shall be applied to both the initial grant award and any subgrant of the Federal funds provided under the initial grant award so that the total of all indirect costs charged against the total of the Federal funds provided under the initial grant award does not exceed such limitation.*”.

**SEC. 7126. RESEARCH EQUIPMENT GRANTS.**

*The National Agricultural Research, Extension, and Teaching Policy Act of 1977 is amended by inserting after section 1462 (7 U.S.C. 3310) the following new section:*

**“SEC. 1462A. RESEARCH EQUIPMENT GRANTS.**

“(a) *IN GENERAL.*—*The Secretary may make competitive grants for the acquisition of special purpose scientific research equipment for use in the food and agricultural sciences programs of eligible institutions.*

“(b) *MAXIMUM AMOUNT.*—*The amount of a grant made to an eligible institution under this section may not exceed \$500,000.*

“(c) *PROHIBITION ON CHARGE OR EQUIPMENT AS INDIRECT COSTS.*—*The cost of acquisition or depreciation of equipment purchased with a grant under this section shall not be—*

“(1) *charged as an indirect cost against another Federal grant; or*

“(2) *included as part of the indirect cost pool for purposes of calculating the indirect cost rate of an eligible institution.*

“(d) *ELIGIBLE INSTITUTIONS DEFINED.*—*In this section, the term ‘eligible institution’ means—*

“(1) *a college or university; or*

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“(2) a State cooperative institution.

“(e) *AUTHORIZATION OF APPROPRIATIONS.*—There is authorized to be appropriated to carry out this section \$5,000,000 for each of fiscal years 2019 through 2023.”

**SEC. 7127. UNIVERSITY RESEARCH.**

Section 1463 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3311) is amended by striking “2018” each place it appears in subsections (a) and (b) and inserting “2023”.

**SEC. 7128. EXTENSION SERVICE.**

Section 1464 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3312) is amended by striking “2018” and inserting “2023”.

**SEC. 7129. SUPPLEMENTAL AND ALTERNATIVE CROPS; HEMP.**

Section 1473D of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319d) is amended—

(1) in subsection (a)—

(A) by striking “2018” and inserting “2023”; and

(B) by striking “crops,” and inserting “crops (including canola),”;

(2) in subsection (b)—

(A) by inserting “for agronomic rotational purposes and as a habitat for honey bees and other pollinators” after “alternative crops”; and

(B) by striking “commodities whose” and all that follows through the period at the end and inserting “commodities.”;

(3) in subsection (c)(3)(E), by inserting “(including hemp (as defined in section 297A of the Agricultural Marketing Act of 1946))” after “material”; and

(4) in subsection (e)—

(A) in paragraph (1), by striking “and” at the end;

(B) in paragraph (2), by striking the period at the end and inserting “; and”; and

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

“(3) \$2,000,000 for each of fiscal years 2019 through 2023.”.

**SEC. 7130. NEW ERA RURAL TECHNOLOGY PROGRAM.**

Section 1473E of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319e) is amended—

(1) in subsection (b)(1)(B)—

(A) in clause (ii), by striking “and” at the end;

(B) in clause (iii), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(iv) precision agriculture.”; and

(2) in subsection (d), by striking “2008 through 2012” and inserting “2019 through 2023”.

**SEC. 7131. CAPACITY BUILDING GRANTS FOR NLGCA INSTITUTIONS.**

Section 1473F(b) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319i(b)) is amended by striking “2018” and inserting “2023”.



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**SEC. 7132. AGRICULTURE ADVANCED RESEARCH AND DEVELOPMENT AUTHORITY PILOT.**

*Subtitle K of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3310 et seq.) is amended by adding at the end the following:*

**“SEC. 1473H. AGRICULTURE ADVANCED RESEARCH AND DEVELOPMENT AUTHORITY PILOT.**

*“(a) DEFINITIONS.—In this section:*

*“(1) ADVANCED RESEARCH AND DEVELOPMENT.—The term ‘advanced research and development’ means research and development activities used to address research challenges in agriculture and food through—*

*“(A) targeted acceleration of novel, early stage innovative agricultural research with promising technology applications and products; or*

*“(B) development of qualified products and projects, agricultural technologies, or innovative research tools, which may include—*

*“(i) prototype testing, preclinical development, or field experimental use;*

*“(ii) assessing and assisting with product approval, clearance, or need for a license under an applicable law, as determined by the Director; or*

*“(iii) manufacturing and commercialization of a product.*

*“(2) AGRICULTURAL TECHNOLOGY.—The term ‘agricultural technology’ means machinery and other equipment engineered for an applicable and novel use in agriculture, natural resources, and food relating to the research and development of qualified products and projects.*

*“(3) DIRECTOR.—The term ‘Director’ means the Director of the Agriculture Advanced Research and Development Authority established under subsection (b)(1).*

*“(4) OTHER TRANSACTION.—The term ‘other transaction’ means a transaction other than a procurement contract, grant, or cooperative agreement, including a transaction described in subsection (b)(6)(A).*

*“(5) PERSON.—The term ‘person’ means—*

*“(A) an individual;*

*“(B) a partnership;*

*“(C) a corporation;*

*“(D) an association;*

*“(E) an entity;*

*“(F) a public or private corporation;*

*“(G) a Federal, State, or local government agency or department; and*

*“(H) an institution of higher education, including a land-grant college or university and a non-land-grant college of agriculture.*

*“(6) QUALIFIED PRODUCT OR PROJECT.—The term ‘qualified product or project’ means—*

*“(A) engineering, mechanization, or technology improvements that will address challenges relating to growing, harvesting, handling, processing, storing, packing, and distribution of agricultural products;*



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“(B) plant disease or plant pest recovery countermeasures to intentional or unintentional biological threats (including naturally occurring threats), including—

“(i) replacement or resistant plant cultivars or varieties;

“(ii) other enhanced management strategies, including novel chemical, biological, or cultural approaches; or

“(iii) diagnostic or surveillance technology; and

“(C) veterinary countermeasures to intentional or unintentional biological threats (including naturally occurring threats), including—

“(i) animal vaccine or therapeutic products (including anti-infective products); or

“(ii) diagnostic or surveillance technology.

“(7) RESEARCH TOOL.—The term ‘research tool’ means a device, technology, procedure, biological material, reagent, computer system, computer software, or analytical technique that is developed to assist in the discovery, development, or manufacture of a qualified product or project.

“(b) AGRICULTURE ADVANCED RESEARCH AND DEVELOPMENT AUTHORITY.—

“(1) ESTABLISHMENT.—There is established within the Department of Agriculture a pilot program that shall be known as the Agriculture Advanced Research and Development Authority (referred to in this section as the ‘AGARDA’) to carry out advanced research and development.

“(2) GOALS.—The goals of the AGARDA are—

“(A) to develop and deploy advanced solutions to prevent, prepare, and protect against unintentional and intentional threats to agriculture and food in the United States;

“(B) to overcome barriers in the development of agricultural technologies, research tools, and qualified products and projects that enhance export competitiveness, environmental sustainability, and resilience to extreme weather;

“(C) to ensure that the United States maintains and enhances its position as a leader in developing and deploying agricultural technologies, research tools, and qualified projects and products that increase economic opportunities and security for farmers, ranchers, and rural communities; and

“(D) to undertake advanced research and development in areas in which industry by itself is not likely to do so because of the technological or financial uncertainty.

“(3) LEADERSHIP.—

“(A) IN GENERAL.—The AGARDA shall be a component of the Office of the Chief Scientist.

“(B) DIRECTOR.—

“(i) IN GENERAL.—The AGARDA shall be headed by a Director, who shall be appointed by the Chief Scientist.

“(ii) QUALIFICATIONS.—The Director shall be an individual who, by reason of professional background and experience, is exceptionally qualified to advise the Chief Scientist on, and manage advanced research and

development programs and other matters pertaining to—

“(I) qualified products and projects;

“(II) agricultural technologies;

“(III) research tools; and

“(IV) challenges relating to the matters described in subclauses (I) through (III).

“(iii) RELATIONSHIP WITHIN THE DEPARTMENT OF AGRICULTURE.—The Director shall report to the Chief Scientist.

“(4) DUTIES.—To achieve the goals described in paragraph (2), the Secretary, acting through the Director, shall accelerate advanced research and development by—

“(A) identifying and promoting advances in basic sciences;

“(B) translating scientific discoveries and inventions into technological innovations;

“(C) collaborating with other agencies, relevant industries, academia, international agencies, the Foundation for Food and Agriculture Research, and other relevant persons to carry out the goals described in paragraph (2), including convening, at a minimum, annual meetings or working groups to demonstrate the operation and effectiveness of advanced research and development of qualified products and projects, agricultural technologies, and research tools;

“(D) conducting ongoing searches for, and support calls for, potential advanced research and development of agricultural technologies, qualified products and projects, and research tools;

“(E) awarding grants and entering into contracts, cooperative agreements, or other transactions under paragraph (6) for advanced research and development of agricultural technology, qualified products and projects, and research tools;

“(F) establishing issue-based multidisciplinary teams to reduce the time and cost of solving specific problems that—

“(i) are composed of representatives from Federal and State agencies, professional groups, academia, and industry;

“(ii) seek novel and effective solutions; and

“(iii) encourage data sharing and translation of research to field use; and

“(G) serving as a resource for interested persons regarding requirements under relevant laws that impact the development, commercialization, and technology transfer of qualified products and projects, agricultural technologies, and research tools.

“(5) PRIORITY.—In awarding grants and entering into contracts, cooperative agreements, or other transactions under paragraph (4)(E), the Secretary shall give priority to projects that accelerate the advanced research and development of qualified products and projects that—

“(A) address critical research and development needs for technology for specialty crops; or

*“(B) prevent, protect, and prepare against intentional and unintentional threats to agriculture and food.*

*“(6) OTHER TRANSACTION AUTHORITIES.—*

*“(A) IN GENERAL.—In carrying out the pilot program under this section, the Secretary shall have the authority to enter into other transactions in the same manner and subject to the same terms and conditions as transactions that the Secretary of Defense may enter into under section 2371 of title 10, United States Code.*

*“(B) SCOPE.—The authority of the Secretary to enter into contracts, cooperative agreements, and other transactions under this subsection shall be in addition to the authorities under this Act and title I of the Department of Agriculture and Related Agencies Appropriation Act, 1964 (7 U.S.C. 3318a), to use contracts, cooperative agreements, and grants in carrying out the pilot program under this section.*

*“(C) GUIDELINES.—The Secretary shall establish guidelines regarding the use of the authority under subparagraph (A).*

*“(D) TECHNOLOGY TRANSFER.—In entering into other transactions, the Secretary may negotiate terms for technology transfer in the same manner as a Federal laboratory under paragraphs (1) through (4) of section 12(b) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(b)).*

*“(7) AVAILABILITY OF DATA.—*

*“(A) IN GENERAL.—The Secretary shall require that, as a condition of being awarded a contract or grant or entering into a cooperative agreement or other transaction under paragraph (4)(E), a person shall make available to the Secretary on an ongoing basis, and submit to the Secretary on request of the Secretary, all data relating to or resulting from the activities carried out by the person pursuant to this section.*

*“(B) EXEMPTION FROM DISCLOSURE.—*

*“(i) IN GENERAL.—This subparagraph shall be considered a statute described in section 552(b)(3)(B) of title 5, United States Code.*

*“(ii) EXEMPTION.—The following information shall be exempt from disclosure under section 552 of title 5, United States Code, and withheld from the public:*

*“(I) Specific technical data or scientific information that is created or obtained under this section that reveals significant and not otherwise publicly known vulnerabilities of existing agriculture and food defenses against biological, chemical, nuclear, or radiological threats.*

*“(II) Trade secrets or commercial or financial information that is privileged or confidential (within the meaning of section 552(b)(4) of title 5, United States Code) and obtained in the conduct of research or as a result of activities under this section from a non-Federal party participating in a*

*contract, grant, cooperative agreement, or other transaction under this section.*

*“(iii) LIMITATION.—Information that results from research and development activities conducted under this section and that would be a trade secret or commercial or financial information that is privileged or confidential if the information had been obtained from a non-Federal party participating in a cooperative agreement or other transaction shall be withheld from disclosure under subchapter II of chapter 5 of title 5, United States Code, for 5 years.*

*“(8) MILESTONE-BASED PAYMENTS ALLOWED.—In awarding contracts and grants and entering into cooperative agreements or other transactions under paragraph (4)(E), the Secretary may—*

*“(A) use milestone-based awards and payments; and*

*“(B) terminate a project for not meeting technical milestones.*

*“(9) USE OF EXISTING PERSONNEL AUTHORITIES.—In carrying out this subsection, the Secretary may appoint highly qualified individuals to scientific or professional positions on the same terms and conditions as provided in subsections (b)(3), (b)(4), (c), (d), (e), and (f) of section 620 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7657).*

*“(10) REPORT AND EVALUATION.—*

*“(A) REPORT.—The Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report examining the actions undertaken and results generated by the AGARDA.*

*“(B) EVALUATION.—After the date on which the AGARDA has been in operation for 3 years, the Comptroller General of the United States shall conduct an evaluation—*

*“(i) to be completed and submitted to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate not later than 1 year after the date on which the Comptroller General began conducting the evaluation;*

*“(ii) describing the extent to which the AGARDA is achieving the goals described in paragraph (2); and*

*“(iii) including a recommendation on whether the AGARDA should be continued, terminated, or expanded.*

*“(c) STRATEGIC PLAN.—*

*“(1) IN GENERAL.—Not later than 360 days after the date of enactment of this section, the Secretary shall develop and make publicly available a strategic plan describing the strategic vision that the AGARDA shall use—*

*“(A) to make determinations for future investments during the period of effectiveness of this section; and*

*“(B) to achieve the goals described in subsection (b)(2).*

*“(2) DISSEMINATION.—The Secretary shall disseminate the information contained in the strategic plan under paragraph*

(1) to persons who may have the capacity to substantially contribute to the activities described in that strategic plan.

“(3) COORDINATION; CONSULTATION.—The Secretary shall—

“(A) update and coordinate the strategic coordination plan under section 221(d)(7) of the Department of Agriculture Reorganization Act of 1994 with the strategic plan developed under paragraph (1) for activities relating to agriculture and food defense countermeasure development and procurement; and

“(B) in developing the strategic plan under paragraph (1), consult with—

“(i) the National Agricultural Research, Extension, Education, and Economics Advisory Board established under section 1408(a);

“(ii) the specialty crops committee established under section 1408A(a)(1);

“(iii) relevant agriculture research agencies of the Federal Government;

“(iv) the National Academies of Sciences, Engineering, and Medicine;

“(v) the National Veterinary Stockpile Intra-Government Advisory Committee for Strategic Steering; and

“(vi) other appropriate parties, as determined by the Secretary.

“(d) FUNDS.—

“(1) ESTABLISHMENT.—There is established in the Treasury the Agriculture Advanced Research and Development Fund, which shall be administered by the Secretary, acting through the Director—

“(A) for the purpose of carrying out this section; and

“(B) in the same manner and subject to the same terms and conditions as are applicable to the Secretary of Defense under section 2371 of title 10, United States Code.

“(2) DEPOSITS INTO FUND.—

“(A) IN GENERAL.—The Secretary, acting through the Director, may accept and deposit into the Fund monies received pursuant to cost recovery, contribution, or royalty payments under a contract, grant, cooperative agreement, or other transaction under this section.

“(B) AVAILABILITY OF AMOUNTS IN FUND.—Amounts deposited into the fund shall remain available until expended, without further appropriation, and may be used to carry out the purposes of this section.

“(C) CLARIFICATION.—Nothing in this paragraph authorizes the use of the funds of the Commodity Credit Corporation to carry out this section.

“(3) FUNDING.—In addition to funds otherwise deposited in the Fund under paragraph (1) or (2), there is authorized to be appropriated to the Fund \$50,000,000 for each of fiscal years 2019 through 2023, to remain available until expended.

“(e) TERMINATION OF EFFECTIVENESS.—

“(1) IN GENERAL.—Except as provided under paragraph (2), the authority provided by this section terminates on the date



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that is 5 years after the date of the enactment of the Agriculture Improvement Act of 2018.

“(2) EXCEPTIONS.—Paragraph (1) shall not apply with respect to—

“(A) subsection (b)(7)(B); and

“(B) grants awarded or contracts, cooperative agreements, or other transactions entered into before the end of the 5-year period referred to in such clause.”

**SEC. 7133. AQUACULTURE ASSISTANCE PROGRAMS.**

Section 1477(a)(2) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3324(a)(2)) is amended by striking “2018” and inserting “2023”.

**SEC. 7134. RANGELAND RESEARCH PROGRAMS.**

Section 1483(a)(2) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3336(a)(2)) is amended by striking “2018” and inserting “2023”.

**SEC. 7135. SPECIAL AUTHORIZATION FOR BIOSECURITY PLANNING AND RESPONSE.**

Section 1484 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3351) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking “and” at the end;

(B) in paragraph (2), by striking the period at the end and inserting “; and”; and

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

“(3) \$30,000,000 for each of fiscal years 2019 through 2023.”; and

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by inserting “and cooperative agreements” after “competitive grants”;

(B) in paragraph (3), by striking “make competitive grants” and inserting “award competitive grants and cooperative agreements”; and

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

“(5) To coordinate the tactical science activities of the Research, Education, and Economics mission area of the Department that protect the integrity, reliability, sustainability, and profitability of the food and agricultural system of the United States against biosecurity threats from pests, diseases, contaminants, and disasters.”

**SEC. 7136. DISTANCE EDUCATION AND RESIDENT INSTRUCTION GRANTS PROGRAM FOR INSULAR AREA INSTITUTIONS OF HIGHER EDUCATION.**

(a) DISTANCE EDUCATION GRANTS FOR INSULAR AREAS.—Section 1490(f)(2) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3362(f)(2)) is amended by striking “2018” and inserting “2023”.

(b) RESIDENT INSTRUCTION GRANTS FOR INSULAR AREAS.—Section 1491(c)(2) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3363(c)(2)) is amended by striking “2018” and inserting “2023”.



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## ***Subtitle B—Food, Agriculture, Conservation, and Trade Act of 1990***

### **SEC. 7201. BEST UTILIZATION OF BIOLOGICAL APPLICATIONS.**

*Section 1624 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5814) is amended in the first sentence by striking “2018” and inserting “2023”.*

### **SEC. 7202. INTEGRATED MANAGEMENT SYSTEMS.**

*Section 1627(d) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5821(d)) is amended by striking “2018” and inserting “2023”.*

### **SEC. 7203. SUSTAINABLE AGRICULTURE TECHNOLOGY DEVELOPMENT AND TRANSFER PROGRAM.**

*Section 1628(f)(2) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5831(f)(2)) is amended by striking “2018” and inserting “2023”.*

### **SEC. 7204. NATIONAL TRAINING PROGRAM.**

*Section 1629(i) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5832(i)) is amended by striking “2018” and inserting “2023”.*

### **SEC. 7205. NATIONAL STRATEGIC GERmplasm AND CULTIVAR COLLECTION ASSESSMENT AND UTILIZATION PLAN.**

*(a) IN GENERAL.—Section 1632(d) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5841(d)) is amended—*

- (1) in paragraph (5), by striking “and” at the end;*
- (2) by redesignating paragraph (6) as paragraph (7); and*
- (3) by inserting after paragraph (5) the following:*

*“(6) develop and implement a national strategic germplasm and cultivar collection assessment and utilization plan that takes into consideration the resources and research necessary to address the significant backlog of characterization and maintenance of existing accessions considered to be critical to preserve the viability of, and public access to, germplasm and cultivars; and”.*

*(b) PLAN PUBLICATION.—Section 1633 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5842) is amended by adding at the end the following:*

*“(f) PLAN PUBLICATION.—On completion of the development of the plan described in section 1632(d)(6), the Secretary shall make the plan available to the public.”.*

### **SEC. 7206. NATIONAL GENETICS RESOURCES PROGRAM.**

*(a) ADVISORY COUNCIL.—Section 1634 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5843) is amended—*

*(1) in subsection (a)—*

*(A) in the first sentence, by striking “The Secretary” and inserting the following:*

*“(1) IN GENERAL.—The Secretary”;*

*(B) in the second sentence of paragraph (1) (as so designated), by striking “The advisory” and inserting the following:*

*“(2) MEMBERSHIP.—The advisory”;*

- (C) in paragraph (2) (as so designated), by striking “nine” and inserting “13”; and
- (D) by adding at the end the following:
- “(3) RECOMMENDATIONS.—
- “(A) IN GENERAL.—In making recommendations under paragraph (1), the advisory council shall include recommendations on—
- “(i) the state of public cultivar development, including—
- “(I) an analysis of existing cultivar research investments;
- “(II) the research gaps relating to the development of cultivars across a diverse range of crops; and
- “(III) an assessment of the state of commercialization of federally funded cultivars;
- “(ii) the training and resources needed to meet future breeding challenges;
- “(iii) the appropriate levels of Federal funding for cultivar development for underserved crops and geographic areas; and
- “(iv) the development of the plan described in section 1632(d)(6).”; and
- (2) in subsection (c)—
- (A) in paragraph (1)—
- (i) by striking “Two-thirds” and inserting “6”; and
- (ii) by inserting “economics and policy,” after “agricultural sciences,”;
- (B) in paragraph (2)—
- (i) by striking “One-third” and inserting “3”; and
- (ii) by inserting “community development,” after “public policy,”; and
- (C) by adding at the end the following:
- “(3) 4 of the members shall be appointed from among individuals with expertise in public cultivar and animal breed development.
- “(4) 4 of the members shall be appointed from among individuals representing—
- “(A) 1862 Institutions (as defined in section 2 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7601));
- “(B) 1890 Institutions (as defined in section 2 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7601));
- “(C) Hispanic-serving institutions (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)); or
- “(D) 1994 Institutions (as defined in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103-382)).”.
- (b) AUTHORIZATION OF APPROPRIATIONS.—Section 1635(b)(2) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5844(b)(2)) is amended by striking “2018” and inserting “2023”.

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**SEC. 7207. NATIONAL AGRICULTURAL WEATHER INFORMATION SYSTEM.**

*Section 1641(c) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5855(c)) is amended by striking “2018” and inserting “2023”.*

**SEC. 7208. AGRICULTURAL GENOME TO PHENOME INITIATIVE.**

*Section 1671 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5924) is amended—*

*(1) in the section heading, by inserting “TO PHENOME” after “GENOME”;*

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

*“(a) GOALS.—The goals of this section are—*

*“(1) to expand knowledge concerning genomes and phenomes of crops and animals of importance to the agriculture sector of the United States;*

*“(2) to understand how variable weather, environments, and production systems impact the growth and productivity of specific varieties of crops and species of animals in order to provide greater accuracy in predicting crop and animal performance under variable conditions;*

*“(3) to support research that leverages plant and animal genomic information with phenotypic and environmental data through an interdisciplinary framework, leading to a novel understanding of plant and animal processes that affect growth, productivity, and the ability to predict performance, which will result in the deployment of superior varieties and species to producers and improved crop and animal management recommendations for farmers and ranchers;*

*“(4) to catalyze and coordinate research that links genomics and predictive phenomics at different sites across the United States to achieve advances in crops and animals that generate societal benefits;*

*“(5) to combine fields such as genetics, genomics, plant physiology, agronomy, climatology, and crop modeling with computation and informatics, statistics, and engineering;*

*“(6) to combine fields such as genetics, genomics, animal physiology, meat science, animal nutrition, and veterinary science with computation and informatics, statistics, and engineering;*

*“(7) to focus on crops and animals that will yield scientifically important results that will enhance the usefulness of many other crops and animals;*

*“(8) to build on genomic research, such as the Plant Genome Research Project and the National Animal Genome Research Program, to understand gene function in production environments that is expected to have considerable returns for crops and animals of importance to the agriculture of the United States;*

*“(9) to develop improved data analytics to enhance understanding of the biological function of genes;*

*“(10) to allow resources developed under this section, including data, software, germplasm, and other biological materials, to be openly accessible to all persons, subject to any confidentiality requirements imposed by law; and*

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“(11) to encourage international partnerships with each partner country responsible for financing its own research.”;

(3) by striking subsection (b) and inserting the following:

“(b) *DUTIES OF SECRETARY.*—The Secretary of Agriculture (referred to in this section as the ‘Secretary’) shall conduct a research initiative, to be known as the ‘Agricultural Genome to Phenome Initiative’, for the purpose of—

“(1) studying agriculturally significant crops and animals in production environments to achieve sustainable and secure agricultural production;

“(2) ensuring that current gaps in existing knowledge of agricultural crop and animal genetics and phenomics are filled;

“(3) identifying and developing a functional understanding of relevant genes from animals and agronomically relevant genes from crops that are of importance to the agriculture sector of the United States;

“(4) ensuring future genetic improvement of crops and animals of importance to the agriculture sector of the United States;

“(5) studying the relevance of diverse germplasm as a source of unique genes that may be of importance in the future;

“(6) enhancing genetics to reduce the economic impact of pathogens on crops and animals of importance to the agriculture sector of the United States;

“(7) disseminating findings to relevant audiences; and

“(8) otherwise carrying out this section.”;

(4) in subsection (c)(1), by inserting “, acting through the National Institute of Food and Agriculture,” after “The Secretary”;

(5) in subsection (e), by inserting “to Phenome” after “Genome”; and

(6) by adding at the end the following:

“(f) *AUTHORIZATION OF APPROPRIATIONS.*—There is authorized to be appropriated to carry out this section \$40,000,000 for each of fiscal years 2019 through 2023.”.

**SEC. 7209. HIGH-PRIORITY RESEARCH AND EXTENSION INITIATIVES.**

Section 1672 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925) is amended—

(1) in subsection (d)—

(A) in paragraph (8)—

(i) in the heading, by striking “ALFALFA AND FORAGE” and inserting “ALFALFA SEED AND ALFALFA FORAGE SYSTEMS”;

(ii) by striking “alfalfa and forage” and inserting “alfalfa seed and alfalfa forage systems”; and

(iii) by striking “alfalfa and other forages, and” and inserting “alfalfa seed and other alfalfa forage”; and

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

“(11) *MACADAMIA TREE HEALTH INITIATIVE.*—Research and extension grants may be made under this section for the purposes of—

*“(A) developing and disseminating science-based tools and treatments to combat the macadamia felted coccid (*Eriococcus ironsidei*); and*

*“(B) establishing an areawide integrated pest management program in areas affected by, or areas at risk of being affected by, the macadamia felted coccid.*

*“(12) NATIONAL TURFGRASS RESEARCH INITIATIVE.—Research and extension grants may be made under this section for the purposes of—*

*“(A) carrying out or enhancing research related to turfgrass and sod issues;*

*“(B) enhancing production and uses of turfgrass for the general public;*

*“(C) identifying new turfgrass varieties with superior drought, heat, cold, and pest tolerance to reduce water, fertilizer, and pesticide use;*

*“(D) selecting genetically superior turfgrasses and developing improved technologies for managing commercial, residential, and recreational turfgrass areas;*

*“(E) producing turfgrasses that—*

*“(i) aid in mitigating soil erosion;*

*“(ii) protect against pollutant runoff into waterways; or*

*“(iii) provide other environmental benefits;*

*“(F) investigating, preserving, and protecting native plant species, including grasses not currently utilized in turfgrass systems;*

*“(G) creating systems for more economical and viable turfgrass seed and sod production throughout the United States; and*

*“(H) investigating the turfgrass phytobiome and developing biologic products to enhance soil, enrich plants, and mitigate pests.*

*“(13) FERTILIZER MANAGEMENT INITIATIVE.—*

*“(A) IN GENERAL.—Research and extension grants may be made under this section for the purpose of carrying out research to improve fertilizer use efficiency in crops—*

*“(i) to maximize crop yield; and*

*“(ii) to minimize nutrient losses to surface and groundwater and the atmosphere.*

*“(B) PRIORITY.—In awarding grants under subparagraph (A), the Secretary shall give priority to research examining the impact of the source, rate, timing, and placement of plant nutrients.*

*“(14) CATTLE FEVER TICK PROGRAM.—Research and extension grants may be made under this section to study cattle fever ticks—*

*“(A) to facilitate the understanding of the role of wildlife in the persistence and spread of cattle fever ticks;*

*“(B) to develop advanced methods for eradication of cattle fever ticks, including—*

*“(i) alternative treatment methods for cattle and other susceptible species;*

*“(ii) field treatment for premises, including corral pens and pasture loafing areas;*



“(iii) methods for treatment and control on infested wildlife;

“(iv) biological control agents; and

“(v) new and improved vaccines;

“(C) to evaluate rangeland vegetation that impacts the survival of cattle fever ticks;

“(D) to improve management of diseases relating to cattle fever ticks that are associated with wildlife, livestock, and human health;

“(E) to improve diagnostic detection of tick-infested or infected animals and pastures; and

“(F) to conduct outreach to impacted ranchers, hunters, and landowners to integrate tactics and document sustainability of best practices.

“(15) LAYING HEN AND TURKEY RESEARCH PROGRAM.—Research grants may be made under this section for the purpose of improving the efficiency and sustainability of laying hen and turkey production through integrated, collaborative research and technology transfer. Emphasis may be placed on laying hen and turkey disease prevention, antimicrobial resistance, nutrition, gut health, and alternative housing systems under extreme seasonal weather conditions.

“(16) CHRONIC WASTING DISEASE.—Research and extension grants may be made under this section for the purposes of supporting research projects at land-grant colleges and universities (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)) with established deer research programs for the purposes of treating, mitigating, or eliminating chronic wasting disease.

“(17) ALGAE AGRICULTURE RESEARCH PROGRAM.—Research and extension grants may be made under this section for the development and testing of algae and algae systems (including micro- and macro-algae systems).

“(18) NUTRIENT MANAGEMENT.—Research and extension grants may be made under this section for the purposes of examining nutrient management based on the source, rate, timing, and placement of crop nutrients.

“(19) DRYLAND FARMING AGRICULTURAL SYSTEMS.—Research and extension grants may be made under this section for the purposes of carrying out or enhancing research on the utilization of big data for more precise management of dryland farming agricultural systems.

“(20) HOP PLANT HEALTH INITIATIVE.—Research and extension grants may be made under this section for the purposes of developing and disseminating science-based tools and treatments to combat diseases of hops caused by the plant pathogens *Podospaera macularis* and *Pseudoperonospora humuli*.”;

(2) in subsection (e)(5), by striking “2018” and inserting “2023”;

(3) in subsection (f)(5), by striking “2018” and inserting “2023”;

(4) in subsection (g)—

(A) in paragraphs (1)(B), (2)(B), and (3), by striking “2018” each place it appears and inserting “2023”;



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(B) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively; and

(C) by inserting after paragraph (3) the following new paragraph:

“(4) ENHANCED COORDINATION OF HONEYBEE AND POLLINATOR RESEARCH.—

“(A) IN GENERAL.—The Chief Scientist of the Department of Agriculture shall coordinate research, extension, education, and economic activities in the Department of Agriculture relating to native and managed pollinator health and habitat.

“(B) DUTIES.—In carrying out subparagraph (A), the Chief Scientist shall—

“(i) assign an individual to serve in the Office of the Chief Scientist as a Honeybee and Pollinator Research Coordinator who shall be responsible for leading the efforts of the Chief Scientist in carrying out such subparagraph;

“(ii) implement and coordinate pollinator health research efforts of the Department, as recommended by the Pollinator Health Task Force;

“(iii) establish annual strategic priorities and goals for the Department for native and managed pollinator research;

“(iv) communicate such priorities and goals to each agency or office of the Department of Agriculture, the managed pollinator industry, and relevant grant recipients under programs administered by the Secretary; and

“(v) coordinate and identify all research on native and managed pollinator health needed and conducted by the Department of Agriculture and relevant grant recipients under programs administered by the Secretary to ensure consistency and reduce unintended duplication of effort.

“(C) RESEARCH.—In coordinating research activities under subparagraph (A), the Chief Scientist shall ensure that such research—

“(i) identifies and addresses the multiple stressors on pollinator health, including pests and pathogens, reduced habitat, lack of nutritional resources, and exposure to pesticides;

“(ii) evaluates stewardship and management practices of managed pollinators that would impact managed pollinator health;

“(iii) documents the prevalence of major pests, such as varroa destructor (commonly referred to as the varroa mite), and diseases that are transported between States through practices involving managed pollinators;

“(iv) evaluates the impact of overcrowding of colonies for pollination services and the impact of such overcrowding on pollinator health status and pollinator health recovery;

“(v) evaluates and reports on the health differences of managed pollinators in—

“(I) crops not requiring contract pollination;

“(II) crops requiring contract pollination; and

“(III) native habitat;

“(vi) evaluates the impact of horticultural and agricultural pest management practices on native and managed pollinator colonies in diverse agroecosystems;

“(vii) documents pesticide residues that are—

“(I) found in native and managed pollinator colonies; and

“(II) associated with typical localized commercial crop pest management practices;

“(viii) with respect to native and managed pollinator colonies visiting crops for crop pollination or honey production purposes, documents—

“(I) the strength and health of such colonies;

“(II) the survival, growth, reproduction, and production of such colonies;

“(III) pests, pathogens, and viruses that affect such colonies;

“(IV) environmental conditions of such colonies;

“(V) beekeeper practices; and

“(VI) any other relevant information, as determined by the Chief Scientist;

“(ix) documents, with respect to healthy populations of managed pollinators, best management practices and other practices for managed pollinators and crop managers;

“(x) evaluates the effectiveness of—

“(I) conservation practices that target the specific needs of native and managed pollinator habitats;

“(II) incentives that allow for the expansion of native and managed pollinator forage acreage; and

“(III) managed pollinator breeding practices and efforts to, with respect to managed pollinators, avoid creating a genetic bottleneck and improve genetic diversity;

“(xi) in the case of commercially managed pollinator colonies, continues to gather data—

“(I) on an annual basis with respect to losses of such colonies, splits of such colonies, and the total number of pollinator colonies;

“(II) on rising input costs; and

“(III) overall economic value to the food economy; and

“(xii) addresses any other issue relating to native and managed pollinators, as determined by the Chief Scientist, in consultation with scientific experts.

“(D) PUBLICATION.—The Chief Scientist, to the maximum extent practicable, shall—

“(i) make publicly available the results of the research described in subparagraph (C); and

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“(ii) in the case of the research described in subparagraph (C)(vi), publish any data or reports that were produced by the Department of Agriculture but not made publicly available during the period beginning on January 1, 2008, and ending on the date of the enactment of the Agriculture Improvement Act of 2018.”; and

(5) in subsection (h), by striking “2018” and inserting “2023”.

**SEC. 7210. ORGANIC AGRICULTURE RESEARCH AND EXTENSION INITIATIVE.**

Section 1672B of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925b) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by inserting “using funds made available under subsection (e),” after “Board,”; and

(ii) by inserting “in each of fiscal years 2019 through 2023” after “grants”; and

(B) in paragraph (7), by inserting “, soil health,” after “conservation”; and

(2) in subsection (e)—

(A) in paragraph (1)—

(i) in subparagraph (B), by striking “and” at the end;

(ii) in subparagraph (C), by striking the period at the end and inserting “; and”; and

(iii) by adding at the end the following new subparagraphs:

“(D) \$20,000,000 for each of fiscal years 2019 through 2020;

“(E) \$25,000,000 for fiscal year 2021;

“(F) \$30,000,000 for fiscal year 2022; and

“(G) \$50,000,000 for fiscal year 2023 and each fiscal year thereafter.”; and

(B) in paragraph (2)—

(i) in the paragraph heading, by striking “FOR FISCAL YEARS 2014 THROUGH 2018”; and

(ii) by striking “2018” and inserting “2023”.

**SEC. 7211. FARM BUSINESS MANAGEMENT.**

Section 1672D of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925f) is amended—

(1) by amending subsection (a) to read as follows:

“(a) *IN GENERAL.*—The Secretary may make competitive research and extension grants for the purpose of improving the farm management knowledge and skills of agricultural producers by maintaining and expanding a national, publicly available farm financial management database to support improved farm management.”;

(2) in subsection (b)—

(A) in paragraph (2), by striking “and producer” and inserting “educational programs and”; and

(B) in paragraph (4), by striking “use and support” and inserting “contribute data to”; and

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(3) in subsection (d)(2), by striking “2018” and inserting “2023”.

**SEC. 7212. URBAN, INDOOR, AND OTHER EMERGING AGRICULTURAL PRODUCTION RESEARCH, EDUCATION, AND EXTENSION INITIATIVE.**

(a) *IN GENERAL.*—The Food, Agriculture, Conservation, and Trade Act of 1990 is amended by inserting after section 1672D (7 U.S.C. 5925f) the following:

**“SEC. 1672E. URBAN, INDOOR, AND OTHER EMERGING AGRICULTURAL PRODUCTION RESEARCH, EDUCATION, AND EXTENSION INITIATIVE.**

“(a) *COMPETITIVE RESEARCH AND EXTENSION GRANTS AUTHORIZED.*—In consultation with the Urban Agriculture and Innovative Production Advisory Committee established under section 222(b) of the Department of Agriculture Reorganization Act of 1994, the Secretary may make competitive grants to support research, education, and extension activities for the purposes of facilitating the development of urban, indoor, and other emerging agricultural production, harvesting, transportation, aggregation, packaging, distribution, and markets, including by—

“(1) assessing and developing strategies to remediate contaminated sites;

“(2) determining and developing the best production management and integrated pest management practices;

“(3) identifying and promoting the horticultural, social, and economic factors that contribute to successful urban, indoor, and other emerging agricultural production;

“(4) analyzing the means by which new agricultural sites are determined, including an evaluation of soil quality, condition of a building, or local community needs;

“(5) exploring new technologies that minimize energy, lighting systems, water, and other inputs for increased food production;

“(6) examining building material efficiencies and structural upgrades for the purpose of optimizing growth of agricultural products;

“(7) developing new crop varieties and agricultural products to connect to new markets; or

“(8) examining the impacts of crop exposure to urban elements on environmental quality and food safety.

“(b) *GRANT TYPES AND PROCESS.*—Subparagraphs (A) through (E) of paragraph (4), paragraph (7), and paragraph (11)(B) of subsection (b) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 3157) shall apply with respect to the making of grants under this section.

“(c) *PRIORITY.*—The Secretary may give priority to grant proposals that involve—

“(1) the cooperation of multiple entities; or

“(2) States or regions with a high concentration of or significant interest in urban farms, rooftop farms, and indoor production facilities.

“(d) *FUNDING.*—

“(1) *MANDATORY FUNDING.*—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this sec-

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tion \$10,000,000 for fiscal year 2019, to remain available until expended.

“(2) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts made available under paragraph (1), there is authorized to be appropriated to carry out this section \$10,000,000 for each of fiscal years 2019 through 2023.”.

(b) DATA COLLECTION ON URBAN, INDOOR, AND EMERGING AGRICULTURAL PRODUCTION.—

(1) IN GENERAL.—Not later than one year after the date of enactment of this Act, the Secretary shall conduct as a follow-on study to the census of agriculture conducted in the calendar year 2017 under section 2 of the Census of Agriculture Act of 1997 (7 U.S.C. 2204g) a census of urban, indoor, and other emerging agricultural production, including information about—

(A) community gardens and farms located in urban areas, suburbs, and urban clusters;

(B) rooftop farms, outdoor vertical production, and green walls;

(C) indoor farms, greenhouses, and high-tech vertical technology farms;

(D) hydroponic, aeroponic, and aquaponic farm facilities; and

(E) other innovations in agricultural production, as determined by the Secretary.

(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection \$14,000,000 for the period of fiscal years 2019 through 2021.

**SEC. 7213. CENTERS OF EXCELLENCE AT 1890 INSTITUTIONS.**

Section 1673 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5926) is amended by adding at the end the following:

“(d) CENTERS OF EXCELLENCE AT 1890S INSTITUTIONS.—

“(1) RECOGNITION.—The Secretary shall recognize not less than 3 centers of excellence, each led by an 1890 Institution (as defined in section 2 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7601)), to focus on 1 or more of the areas described in paragraph (2).

“(2) AREAS OF FOCUS.—

“(A) STUDENT SUCCESS AND WORKFORCE DEVELOPMENT.—A center of excellence established under paragraph (1) may engage in activities to ensure that students have the skills and education needed to work in agriculture and food industries, agriculture science, technology, engineering, mathematics, and related fields of study.

“(B) NUTRITION, HEALTH, WELLNESS, AND QUALITY OF LIFE.—A center of excellence established under paragraph (1) may carry out research, education, and extension programs that increase access to healthy food, improve nutrition, mitigate preventive disease, and develop strategies to assist limited resource individuals in accessing health and nutrition resources.

“(C) FARMING SYSTEMS, RURAL PROSPERITY, AND ECONOMIC SUSTAINABILITY.—A center of excellence established under paragraph (1) may share best practices with farmers



*to improve agricultural production, processing, and marketing, reduce urban food deserts, examine new uses for traditional and nontraditional crops, animals, and natural resources, and continue activities carried out by the Center for Innovative and Sustainable Small Farms, Ranches, and Forest Lands.*

*“(D) GLOBAL FOOD SECURITY AND DEFENSE.—A center of excellence established under paragraph (1) may engage in international partnerships that strengthen agricultural development in developing countries, partner with international researchers regarding new and emerging animal and plant pests and diseases, engage in agricultural disaster recovery, and continue activities carried out by the Center for International Engagement.*

*“(E) NATURAL RESOURCES, ENERGY, AND ENVIRONMENT.—A center of excellence established under paragraph (1) may focus on protecting and managing domestic natural resources for current and future production of food and agricultural products.*

*“(F) EMERGING TECHNOLOGIES.—A center of excellence established under paragraph (1) may focus on the development of emerging technologies to increase agricultural productivity, enhance small farm economic viability, and improve rural communities by developing genetic and sensor technologies for food and agriculture and providing technology training to farmers.*

*“(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection \$10,000,000 for each of fiscal years 2019 through 2023.*

*“(4) REPORT.—Not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, and every year thereafter, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing—*

*“(A) the resources invested in the centers of excellence established under paragraph (1); and*

*“(B) the work being done by those centers of excellence.”.*

**SEC. 7214. CLARIFICATION OF VETERAN ELIGIBILITY FOR ASSISTIVE TECHNOLOGY PROGRAM FOR FARMERS WITH DISABILITIES.**

*Section 1680 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5933) is amended—*

*(1) in subsection (a), by adding at the end the following new paragraph:*

*“(7) CLARIFICATION OF APPLICATION OF PROVISIONS TO VETERANS WITH DISABILITIES.—This subsection shall apply with respect to veterans with disabilities, and their families, who—*

*“(A) are engaged in farming or farm-related occupations; or*

*“(B) are pursuing new farming opportunities.”;*

*(2) in subsection (b)—*

*(A) by inserting “(including veterans)” after “individuals”; and*



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(B) by inserting “or, in the case of veterans with disabilities, who are pursuing new farming opportunities” before the period at the end; and

(3) in subsection (c)(1)(B), by striking “2018” and inserting “2023”.

**SEC. 7215. NATIONAL RURAL INFORMATION CENTER CLEARINGHOUSE.**

Section 2381(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 3125b(e)) is amended by striking “2018” and inserting “2023”.

**Subtitle C—Agricultural Research, Extension, and Education Reform Act of 1998**

**SEC. 7301. NATIONAL FOOD SAFETY TRAINING, EDUCATION, EXTENSION, OUTREACH, AND TECHNICAL ASSISTANCE PROGRAM.**

(a) **ENDING LIMITATION ON FUNDING.**—Section 405(e)(3) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7625(e)(3)) is amended to read as follows:

“(3) **TERM OF GRANT.**—A grant under this section shall have a term that is not more than 3 years.”.

(b) **NATIONAL FOOD SAFETY TRAINING, EDUCATION, EXTENSION, OUTREACH, AND TECHNICAL ASSISTANCE PROGRAM.**—Section 405(j) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7625(j)) is amended by striking “there are authorized” and all that follows through the period at the end and inserting “there is authorized to be appropriated \$10,000,000 for each of fiscal years 2019 through 2023.”.

**SEC. 7302. INTEGRATED RESEARCH, EDUCATION, AND EXTENSION COMPETITIVE GRANTS PROGRAM.**

Section 406(e) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7626(e)) is amended by striking “2018” and inserting “2023”.

**SEC. 7303. SUPPORT FOR RESEARCH REGARDING DISEASES OF WHEAT, TRITICALE, AND BARLEY CAUSED BY FUSARIUM GRAMINEARUM OR BY TILLETIA INDICA.**

Section 408 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7628) is amended—

(1) in subsection (e)—

(A) in paragraph (1), by striking “and” at the end;

(B) in paragraph (2), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(3) \$15,000,000 for each of fiscal years 2019 through 2023.”; and

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

“(f) **LIMITATION ON INDIRECT COSTS.**—A recipient of a grant under this section may not use more than 10 percent of the funds provided by the grant for the indirect costs of carrying out the initiatives described in subsection (a).”.

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**SEC. 7304. GRANTS FOR YOUTH ORGANIZATIONS.**

*Section 410(d)(2) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7630(d)(2)) is amended by striking “2018” and inserting “2023”.*

**SEC. 7305. SPECIALTY CROP RESEARCH INITIATIVE.**

*(a) INDUSTRY NEEDS.—Section 412(b) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7632(b)) is amended—*

*(1) in paragraph (1)—*

*(A) by redesignating subparagraphs (B) through (E) as subparagraphs (C) through (F); and*

*(B) by inserting after subparagraph (A) the following: “(B) size-controlling rootstock systems for perennial crops;”;*

*(2) in paragraph (2), by striking “including threats to specialty crop pollinators;” and inserting the following: “including—*

*“(A) threats to specialty crop pollinators;*

*“(B) emerging and invasive species; and*

*“(C) a more effective understanding and utilization of existing natural enemy complexes;”;*

*(3) in paragraph (3)—*

*(A) by striking “efforts to improve” and inserting the following: “efforts—*

*“(A) to improve”;*

*(B) in subparagraph (A) (as so designated), by adding “and” at the end; and*

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

*“(B) to achieve a better understanding of—*

*“(i) the soil rhizosphere microbiome;*

*“(ii) pesticide application systems and certified drift-reduction technologies; and*

*“(iii) systems to improve and extend the storage life of specialty crops;”;* and

*(4) in paragraph (4), by striking “including improved mechanization and technologies that delay or inhibit ripening; and” and inserting the following: “including—*

*“(A) mechanization and automation of labor-intensive tasks in production and processing;*

*“(B) technologies that delay or inhibit ripening;*

*“(C) decision support systems driven by phenology and environmental factors;*

*“(D) improved monitoring systems for agricultural pests; and*

*“(E) effective systems for preharvest and postharvest management of quarantine pests; and”.*

*(b) AUTHORIZATION OF APPROPRIATIONS.—Section 412(k)(2) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7632(k)(2)) is amended—*

*(1) in the subsection heading, by striking “2018” and inserting “2023”; and*

*(2) by striking “2018” and inserting “2023”.*

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**SEC. 7306. FOOD ANIMAL RESIDUE AVOIDANCE DATABASE PROGRAM.**

*Section 604(e) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7642(e)) is amended by striking “2018” and inserting “2023”.*

**SEC. 7307. OFFICE OF PEST MANAGEMENT POLICY.**

*Section 614(f)(2) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7653(f)(2)) is amended by striking “2018” and inserting “2023”.*

**SEC. 7308. FORESTRY PRODUCTS ADVANCED UTILIZATION RESEARCH.**

*Section 617(f)(1) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7655b(f)(1)) is amended by striking “2018” and inserting “2023”.*

## **Subtitle D—Food, Conservation, and Energy Act of 2008**

### **PART I—AGRICULTURAL SECURITY**

**SEC. 7401. AGRICULTURAL BIOSECURITY COMMUNICATION CENTER.**

*Section 14112(c)(2) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8912(c)(2)) is amended by striking “2018” and inserting “2023”.*

**SEC. 7402. ASSISTANCE TO BUILD LOCAL CAPACITY IN AGRICULTURAL BIOSECURITY PLANNING, PREPARATION, AND RESPONSE.**

*Section 14113 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8913) is amended—*

*(1) in subsection (a)(2)(B), by striking “2018” and inserting “2023”; and*

*(2) in subsection (b)(2)(B), by striking “2018” and inserting “2023”.*

**SEC. 7403. RESEARCH AND DEVELOPMENT OF AGRICULTURAL COUNTERMEASURES.**

*Section 14121(b)(2) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8921(b)(2)) is amended by striking “2018” and inserting “2023”.*

**SEC. 7404. AGRICULTURAL BIOSECURITY GRANT PROGRAM.**

*Section 14122(e)(2) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8922(e)(2)) is amended by striking “2018” and inserting “2023”.*

### **PART II—MISCELLANEOUS**

**SEC. 7411. GRAZINGLANDS RESEARCH LABORATORY.**

*Section 7502 of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 2019) is amended by striking “10-year period” and inserting “15-year period”.*

**SEC. 7412. FARM AND RANCH STRESS ASSISTANCE NETWORK.**

*Section 7522 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 5936) is amended—*

*(1) in subsection (a), by striking “to support cooperative programs between State cooperative extension services and non-*

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*profit organizations” and inserting “to eligible entities described in subsection (c)”;*

*(2) in subsection (b)—*

*(A) by striking paragraph (5);*

*(B) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively, and indenting the subparagraphs appropriately;*

*(C) by striking subparagraph (B) (as so redesignated) and inserting the following:*

*“(B) training, including training programs and workshops, for—*

*“(i) advocates for individuals who are engaged in farming, ranching, and other occupations relating to agriculture; and*

*“(ii) other individuals and entities that may assist individuals who—*

*“(I) are engaged in farming, ranching, and other occupations relating to agriculture; and*

*“(II) are in crisis;”;*

*(D) in subparagraph (C) (as so redesignated), by adding “and” after the semicolon at the end;*

*(E) in subparagraph (D) (as so redesignated), by striking “activities; and” and inserting “activities, including the dissemination of information and materials; or”;*

*(F) in the matter preceding subparagraph (A) (as so redesignated), by striking “be used to initiate” and inserting the following: “be used—*

*“(1) to initiate”; and*

*(G) by adding at the end the following:*

*“(2) to enter into contracts, on a multiyear basis, with community-based, direct-service organizations to initiate, expand, or sustain programs described in paragraph (1) and subsection (a).”; and*

*(3) by striking subsections (c) and (d) and inserting the following:*

*“(c) ELIGIBLE RECIPIENTS.—The Secretary may award a grant under this section to—*

*“(1) an Indian tribe (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304));*

*“(2) a State department of agriculture;*

*“(3) a State cooperative extension service;*

*“(4) a qualified nonprofit organization, as determined by the Secretary;*

*“(5) an entity providing appropriate services, as determined by the Secretary, in 1 or more States; or*

*“(6) a partnership carried out by 2 or more entities described in paragraphs (1) through (5).*

*“(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section \$10,000,000 for each of fiscal years 2019 through 2023.*

*“(e) REPORT TO CONGRESS.—*

*“(1) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, the Secretary, in coordination with the Secretary of Health and Human Services, shall submit to*

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*Congress and any other relevant Federal department or agency, and make publicly available, a report describing the state of behavioral and mental health of individuals who are engaged in farming, ranching, and other occupations relating to agriculture.*

*“(2) CONTENTS.—The report under paragraph (1) shall include—*

*“(A) an inventory and assessment of efforts to support the behavioral and mental health of individuals who are engaged in farming, ranching, and other occupations relating to agriculture by—*

*“(i) the Federal Government, States, and units of local government;*

*“(ii) communities comprised of those individuals;*

*“(iii) health care providers;*

*“(iv) State cooperative extension services; and*

*“(v) other appropriate entities, as determined by the Secretary;*

*“(B) a description of the challenges faced by individuals who are engaged in farming, ranching, and other occupations relating to agriculture that may impact the behavioral and mental health of farmers and ranchers;*

*“(C) a description of how the Department of Agriculture can improve coordination and cooperation with Federal health departments and agencies, including the Department of Health and Human Services, the Substance Abuse and Mental Health Services Administration, the Health Resources and Services Administration, the Centers for Disease Control and Prevention, and the National Institutes of Health, to best address the behavioral and mental health of individuals who are engaged in farming, ranching, and other occupations relating to agriculture;*

*“(D) a long-term strategy for responding to the challenges described under subparagraph (B) and recommendations based on best practices for further action to be carried out by appropriate Federal departments or agencies to improve Federal Government response and seek to prevent suicide among individuals who are engaged in farming, ranching, and other occupations relating to agriculture; and*

*“(E) an evaluation of the impact that behavioral and mental health challenges and outcomes (including suicide) among individuals who are engaged in farming, ranching, and other agriculture related occupations have on—*

*“(i) the agricultural workforce;*

*“(ii) agricultural production;*

*“(iii) rural families and communities; and*

*“(iv) succession planning.*

*“(f) STATE DEFINED.—For purposes of this section, the term ‘State’ has the meaning given such term in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103).”.*



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**SEC. 7413. NATURAL PRODUCTS RESEARCH PROGRAM.**

*Section 7525(e) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 5937(e)) is amended by striking “2018” and inserting “2023”.*

**SEC. 7414. SUN GRANT PROGRAM.**

*Section 7526(g) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8114(g)) is amended by striking “2018” and inserting “2023”.*

## **Subtitle E—Amendments to Other Laws**

**SEC. 7501. CRITICAL AGRICULTURAL MATERIALS ACT.**

*(a) HEMP RESEARCH.—Section 5(b)(9) of the Critical Agricultural Materials Act (7 U.S.C. 178c(b)(9)) is amended by inserting “, and including hemp (as defined in section 297A of the Agricultural Marketing Act of 1946)” after “hydrocarbon-containing plants”.*

*(b) AUTHORIZATION OF APPROPRIATIONS.—Section 16(a)(2) of the Critical Agricultural Materials Act (7 U.S.C. 178n(a)(2)) is amended by striking “2018” and inserting “2023”.*

**SEC. 7502. EQUITY IN EDUCATIONAL LAND-GRANT STATUS ACT OF 1994.**

*(a) 1994 INSTITUTION DEFINED.—*

*(1) IN GENERAL.—Section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382) is amended to read as follows:*

**“SEC. 532. DEFINITION OF 1994 INSTITUTION.**

*“In this part, the term ‘1994 Institution’ means any of the following colleges:*

- “(1) Aaniiih Nakoda College.*
- “(2) Bay Mills Community College.*
- “(3) Blackfeet Community College.*
- “(4) Cankdeska Cikana Community College.*
- “(5) Chief Dull Knife College.*
- “(6) College of Menominee Nation.*
- “(7) College of the Muscogee Nation.*
- “(8) D–Q University.*
- “(9) Dine College.*
- “(10) Fond du Lac Tribal and Community College.*
- “(11) Fort Peck Community College.*
- “(12) Haskell Indian Nations University.*
- “(13) Ilisagvik College.*
- “(14) Institute of American Indian and Alaska Native Culture and Arts Development.*
- “(15) Keweenaw Bay Ojibwa Community College.*
- “(16) Lac Courte Oreilles Ojibwa Community College.*
- “(17) Leech Lake Tribal College.*
- “(18) Little Big Horn College.*
- “(19) Little Priest Tribal College.*
- “(20) Navajo Technical University.*
- “(21) Nebraska Indian Community College.*
- “(22) Northwest Indian College.*
- “(23) Nueta Hidatsa Sahnish College.*
- “(24) Oglala Lakota College.*



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- “(25) Red Lake Nation College.
- “(26) Saginaw Chippewa Tribal College.
- “(27) Salish Kootenai College.
- “(28) Sinte Gleska University.
- “(29) Sisseton Wahpeton College.
- “(30) Sitting Bull College.
- “(31) Southwestern Indian Polytechnic Institute.
- “(32) Stone Child College.
- “(33) Tohono O’odham Community College.
- “(34) Turtle Mountain Community College.
- “(35) United Tribes Technical College.
- “(36) White Earth Tribal and Community College.”.

(2) **EFFECTIVE DATE.**—The amendment made by paragraph (1) shall take effect on the date of the enactment of this Act.

(b) **ENDOWMENT FOR 1994 INSTITUTIONS.**—Section 533(b) of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382) is amended in the first sentence by striking “2018” and inserting “2023”.

(c) **INSTITUTIONAL CAPACITY BUILDING GRANTS.**—Section 535 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382) is amended by striking “2018” each place it appears in subsections (b)(1) and (c) and inserting “2023”.

(d) **RESEARCH GRANTS.**—Section 536(c) of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382) is amended in the first sentence by striking “2018” and inserting “2023”.

**SEC. 7503. RESEARCH FACILITIES ACT.**

(a) **AGRICULTURAL RESEARCH FACILITY DEFINED.**—The Research Facilities Act is amended—

(1) in section 2(1) (7 U.S.C. 390(1)) by striking “a college, university, or nonprofit institution” and inserting “an entity eligible to receive funds under a capacity and infrastructure program (as defined in section 251(f)(1)(C) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6971(f)(1)(C)))”; and

(2) in section 3(c)(2)(D) (7 U.S.C. 390a(c)(2)(D)), by striking “recipient college, university, or nonprofit institution” and inserting “recipient entity”.

(b) **LONG-TERM SUPPORT.**—Section 3(c)(2)(D) of the Research Facilities Act (7 U.S.C. 390a(c)(2)(D)), as amended by subsection (a), is further amended by striking “operating costs” and inserting “operating and maintenance costs”.

(c) **COMPETITIVE GRANT PROGRAM.**—The Research Facilities Act is amended by inserting after section 3 (7 U.S.C. 390a) the following new section:

**“SEC. 4. COMPETITIVE GRANT PROGRAM.**

“The Secretary shall establish a program to make competitive grants to assist in the construction, alteration, acquisition, modernization, renovation, or remodeling of agricultural research facilities.”.

(d) **AUTHORIZATION OF APPROPRIATIONS AND FUNDING LIMITATIONS.**—Section 6 of the Research Facilities Act (7 U.S.C. 390d) is amended—

(1) in subsection (a)—

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(A) by striking “subsection (b),” and inserting “subsections (b), (c), and (d),”;

(B) by striking “2018” and inserting “2023”; and

(C) by adding at the end the following new sentence: “Funds appropriated pursuant to the preceding sentence shall be available until expended.”; and

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

“(c) **MAXIMUM AMOUNT.**—Not more than 25 percent of the funds made available pursuant to subsection (a) for any fiscal year shall be used for any single agricultural research facility project.

“(d) **PROJECT LIMITATION.**—An entity eligible to receive funds under this Act may receive funds for only one project at a time.”.

**SEC. 7504. AGRICULTURE AND FOOD RESEARCH INITIATIVE.**

Subsection (b) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 3157(b)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (D)—

(i) by redesignating clauses (iii) through (vii) as clauses (iv) through (viii), respectively; and

(ii) by inserting after clause (ii) the following new clause:

“(iii) soil health.”;

(B) in subparagraph (E)—

(i) in clause (iii), by striking “and” at the end;

(ii) in clause (iv), by striking the period at the end and inserting “; and”; and

(iii) by adding at the end the following new clause:

“(v) tools that accelerate the use of automation or mechanization for labor-intensive tasks in the production and distribution of crops.”; and

(C) in subparagraph (F)—

(i) in clause (vi), by striking “and” at the end;

(ii) in clause (vii), by striking the period at the end and inserting “; and”; and

(iii) by adding at the end the following new clause:

“(viii) barriers and bridges to entry and farm viability for young, beginning, socially disadvantaged, veteran, and immigrant farmers and ranchers, including farm succession, transition, transfer, entry, and profitability issues.”;

(2) in paragraph (6)—

(A) in subparagraph (D), by striking “and” at the end;

(B) in subparagraph (E), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(F) to an institution to carry out collaboration in biomedical and agricultural research using existing research models.”; and

(3) in paragraph (11)(A)—

(A) in the matter preceding clause (i), by striking “2018” and inserting “2023”; and

(B) in clause (ii), by striking “4” and inserting “5”.

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**SEC. 7505. EXTENSION DESIGN AND DEMONSTRATION INITIATIVE.**

(a) *IN GENERAL.*—*The Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 3157) is amended by inserting after subsection (c) the following:*

“(d) *EXTENSION DESIGN AND DEMONSTRATION INITIATIVE.*—

“(1) *PURPOSE.*—*The purpose of this subsection is to encourage the design of adaptive prototype systems for improving extension and education that seek to advance the application, translation, and demonstration of scientific discoveries and other agricultural research for the adoption and understanding of food, agricultural, and natural resources practices, techniques, methods, and technologies using digital or other novel platforms.*

“(2) *GRANTS.*—*The Secretary shall award grants each fiscal year on a competitive basis—*

“(A) *for the design of 1 or more extension and education prototype systems—*

“(i) *that leverage digital platforms or other novel means of translating, delivering, or demonstrating agricultural research; and*

“(ii) *to adapt, apply, translate, or demonstrate scientific findings, data, technology, and other research outcomes to producers, the agricultural industry, and other interested persons or organizations; and*

“(B) *to demonstrate, by incorporating analytics and specific metrics, the value, impact, and return on the Federal investment of a prototype system designed under subparagraph (A) as a model for use by other eligible entities described in paragraph (3) for improving, modernizing, and adapting applied research, demonstration, and extension services.*

“(3) *ELIGIBLE ENTITIES.*—*An entity that is eligible to receive a grant under paragraph (2) is—*

“(A) *a State agricultural experiment station (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103));*

“(B) *a cooperative extension service (as defined in such section); and*

“(C) *a land-grant college or university (as defined in such section).*

“(4) *REQUIREMENT.*—*The Secretary shall award grants under paragraph (2) to not fewer than 2 and not more than 5 eligible entities described in paragraph (3) that represent a diversity of regions, commodities, and agricultural or food production issues.*

“(5) *TERM.*—*The term of a grant awarded under paragraph (2) shall be not longer than 5 years.*

“(6) *AUTHORIZATION OF APPROPRIATIONS.*—*There is authorized to be appropriated to carry out this subsection \$5,000,000 for each of fiscal years 2019 through 2023, to remain available until expended.*”.

(b) *TECHNICAL AND CONFORMING AMENDMENTS.*—*The Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 3157) is amended—*

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(1) in subsection (c)(2), in the matter preceding subparagraph (A), by striking “subsection—” and all that follows through “for the planning” in subparagraph (B) and inserting “subsection for the planning”; and

(2) in subsection (h), by inserting “, (d),” after “subsections (b)”.

**SEC. 7506. REPEAL OF REVIEW OF AGRICULTURAL RESEARCH SERVICE.**

Section 7404 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3101 note; Public Law 107–171) is repealed.

**SEC. 7507. BIOMASS RESEARCH AND DEVELOPMENT.**

Section 9008 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8108) is amended—

(1) in subsection (a)(1)—

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

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

(C) by adding at the end the following:

“(C) carbon dioxide that—

“(i) is intended for permanent sequestration or utilization; and

“(ii) is a byproduct of the production of the products described in subparagraphs (A) and (B).”;

(2) in subsection (d)(2)(A)—

(A) in clause (xii), by striking “and” at the end;

(B) by redesignating clause (xiii) as clause (xiv); and

(C) by inserting after clause (xii) the following:

“(xiii) an individual with expertise in carbon dioxide capture, utilization, and sequestration; and”;

(3) in subsection (e)—

(A) in paragraph (2)(B)—

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

(ii) by adding at the end the following:

“(iv) to permanently sequester or utilize carbon dioxide described in subsection (a)(1)(C); and”;

(B) in paragraph (3)(B)—

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

(ii) in clause (ii), by striking the period at the end and inserting “; and”; and

(iii) by adding at the end the following:

“(iii) the development of technologies to permanently sequester or utilize carbon dioxide described in subsection (a)(1)(C).”;

(4) in subsection (h)(2), by striking “2018” and inserting “2023”.

**SEC. 7508. REINSTATEMENT OF MATCHING REQUIREMENT FOR FEDERAL FUNDS USED IN EXTENSION WORK AT THE UNIVERSITY OF THE DISTRICT OF COLUMBIA.**

(a) *IN GENERAL.*—Section 209(c) of the District of Columbia Public Postsecondary Education Reorganization Act (Public Law 93–471; sec. 38–1202.09(c), D.C. Official Code) is amended by inserting after the first sentence the following: “Such sums may be used to pay not more than 1/2 of the total cost of providing such extension work.”

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(b) *EFFECTIVE DATE.*—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

**SEC. 7509. RENEWABLE RESOURCES EXTENSION ACT OF 1978.**

(a) *AUTHORIZATION OF APPROPRIATIONS.*—Section 6 of the Renewable Resources Extension Act of 1978 (16 U.S.C. 1675) is amended in the first sentence by striking “2018” and inserting “2023”.

(b) *TERMINATION DATE.*—Section 8 of the Renewable Resources Extension Act of 1978 (16 U.S.C. 1671 note; Public Law 95–306) is amended by striking “2018” and inserting “2023”.

**SEC. 7510. NATIONAL AQUACULTURE ACT OF 1980.**

Section 10 of the National Aquaculture Act of 1980 (16 U.S.C. 2809) is amended by striking “2018” each place it appears and inserting “2023”.

**SEC. 7511. FEDERAL AGRICULTURE RESEARCH FACILITIES.**

Section 1431 of the National Agricultural Research, Extension, and Teaching Policy Act Amendments of 1985 (title XIV of Public Law 99–198; 99 Stat. 1556) is amended by striking “2018” and inserting “2023”.

## **Subtitle F—Other Matters**

**SEC. 7601. ENHANCED USE LEASE AUTHORITY PROGRAM.**

(a) *TRANSITION TO PERMANENT PROGRAM.*—Section 308 of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 3125a note) is amended—

- (1) in the section heading, by striking “PILOT”; and
- (2) in subsection (a), by striking “pilot”.

(b) *TERMINATION OF AUTHORITY EXTENDED.*—Section 308(b)(6)(A) of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 3125a note) is amended by striking “on the date that is 10 years after the date of enactment of this section” and inserting “on September 30, 2023”.

(c) *REPORTS.*—Section 308(d)(2) of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 3125a note) is amended by striking “Not later than 6, 8, and 10 years after the date of enactment of this section” and inserting “Not later than September 30, 2021”.

**SEC. 7602. TRANSFER OF ADMINISTRATIVE JURISDICTION OVER PORTION OF HENRY A. WALLACE BELTSVILLE AGRICULTURAL RESEARCH CENTER, BELTSVILLE, MARYLAND.**

(a) *TRANSFER AUTHORIZED.*—Subject to subsection (e), the Secretary may transfer to the Secretary of the Treasury administrative jurisdiction over a parcel of real property at the Henry A. Wallace Beltsville Agricultural Research Center consisting of approximately 100 acres, which was originally acquired by the United States through land acquisitions in 1910 and 1925, and is generally located off of Poultry Road lying between Powder Mill Road and Odell Road in Beltsville, Maryland, for the purpose of facilitating the establishment of Bureau of Engraving and Printing facilities on the parcel.

(b) *LEGAL DESCRIPTION AND MAP.*—



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(1) *PREPARATION.*—The Secretary shall prepare a legal description and map of the parcel of real property to be transferred under subsection (a).

(2) *FORCE OF LAW.*—The legal description and map prepared under paragraph (1) shall have the same force and effect as if included in this Act, except that the Secretary may correct errors in the legal description and map.

(c) *TERMS AND CONDITIONS.*—The transfer of administrative jurisdiction under subsection (a) shall be subject to easements, valid existing rights, and such other reservations, terms, and conditions as the Secretary considers to be necessary.

(d) *WAIVER.*—The parcel of real property under subsection (a) is exempt from Federal screening for other possible use due to an identified Federal need for the parcel as the site of Bureau of Engraving and Printing facilities.

(e) *CONDITIONS FOR TRANSFER.*—As a condition of the transfer of administrative jurisdiction under subsection (a) with respect to the parcel described in such subsection—

(1) the Secretary of the Treasury shall agree to pay the Secretary the costs incurred to carry out such transfer, including the costs for—

(A) any environmental or administrative analysis required by law with respect to the parcel to be so transferred;

(B) a survey of such parcel, if necessary; and

(C) any hazardous substances assessment of the parcel to be so transferred; and

(2) except as provided in subsection (d), the Secretary shall enter into a binding memorandum of agreement with the Secretary of the Treasury regarding the responsibilities, including financial responsibilities, of each party for evaluating and, if necessary, remediating or otherwise addressing hazardous substances, pollutants, or contaminants found at the parcel described in subsection (a).

(f) *HAZARDOUS MATERIALS.*—Nothing in this section, or the amendments made by this section, amends, alters, or affects the relevant Federal and State environmental laws, including the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.), or the application of such laws to the parcel of real property transferred under subsection (a).

**SEC. 7603. FOUNDATION FOR FOOD AND AGRICULTURE RESEARCH.**

Section 7601 of the Agricultural Act of 2014 (7 U.S.C. 5939) is amended—

(1) in subsection (d)(1)—

(A) in subparagraph (B)—

(i) in clause (ii), by striking “conflicts;” and inserting “conflicts, specifically at the Department of Agriculture; and”; and

(ii) by adding at the end the following new clause: “(iii) document the consultation process and include a summary of the results in the annual report required in subsection (f)(3)(B);” and

(B) in subparagraph (D), by inserting “and agriculture stakeholders” after “community”;

(2) in subsection (e)—



(A) in paragraph (2)(C)(ii)(I), by inserting “agriculture or” before “agricultural research”; and

(B) in paragraph (4)(A)—

(i) in clause (iii), by striking “and” at the end;

(ii) by redesignating clause (iv) as clause (v); and

(iii) by inserting after clause (iii) the following:

“(iv) actively solicit and accept funds, gifts, grants, devises, or bequests of real or personal property made to the Foundation, including from private entities; and”;

(3) in subsection (f)—

(A) in paragraph (2)(A)(iii), by striking “any”; and

(B) in paragraph (3)(B)—

(i) in clause (i)(I)—

(I) in the matter preceding item (aa), by inserting “and post online” before “a report”;

(II) in item (aa), by striking “accomplishments; and” and inserting “accomplishments and how those activities align to the challenges identified in the strategic plan under clause (iv).”;

(III) in item (bb), by striking the period at the end and inserting “; and”; and

(IV) by adding at the end the following:

“(cc) a description of available agricultural research programs and priorities for the upcoming fiscal year.”; and

(ii) by adding at the end the following:

“(iii) **STAKEHOLDER NOTICE.**—The Foundation shall publish an annual notice with a description of agricultural research priorities under this section for the upcoming fiscal year, including—

“(I) a schedule for funding competitions;

“(II) a discussion of how applications for funding will be evaluated; and

“(III) how the Foundation will communicate information about funded awards to the public to ensure that grantees and partners understand the objectives of the Foundation.

“(iv) **STRATEGIC PLAN.**—Not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, the Foundation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a strategic plan describing a path for the Foundation to become self-sustaining, including—

“(I) a forecast of major agricultural challenge opportunities identified by the scientific advisory councils of the Foundation and approved by the Board, including short- and long-term objectives;

“(II) an overview of the efforts that the Foundation will take to be transparent in each of the processes of the Foundation, including—

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“(aa) processes relating to grant awards, including the selection, review, and notification processes;

“(bb) communication of past, current, and future research priorities; and

“(cc) plans to solicit and respond to public input on the opportunities identified in the strategic plan;

“(III) a description of financial goals and benchmarks for the next 10 years, including a detailed plan for—

“(aa) raising funds in amounts greater than the amounts required under subsection (g)(1)(B);

“(bb) soliciting additional resources pursuant to subsections (e)(4)(A)(iv) and (f)(2)(A)(iii); and

“(cc) managing and leveraging such resources pursuant to subsection (f)(2)(A)(vii); and

“(IV) other related issues, as determined by the Board.”; and

(4) in subsection (g)(1)—

(A) in the paragraph heading, by striking “MANDATORY FUNDING” and inserting “FUNDING”;

(B) in subparagraph (A)—

(i) by striking “On the date” and inserting the following:

“(i) ESTABLISHMENT FUNDING.—On the date”; and

(ii) by adding at the end the following:

“(ii) ENHANCED FUNDING.—On the date on which the strategic plan described in subsection (f)(3)(B)(iv) is submitted, of the funds of the Commodity Credit Corporation, the Secretary shall transfer to the Foundation to carry out this section \$185,000,000, to remain available until expended.”; and

(C) in subparagraph (B)—

(i) by striking “The Foundation” and inserting the following:

“(i) IN GENERAL.—The Foundation”;

(ii) in clause (i) (as so designated)—

(I) by striking “purposes” and inserting “purposes, duties, and powers”; and

(II) by striking “non-Federal matching funds for each expenditure” and inserting “matching funds from a non-Federal source, including an agricultural commodity promotion, research, and information program”; and

(iii) by adding at the end the following:

“(ii) EFFECT.—Nothing in this section requires the Foundation to require a matching contribution from an individual grantee as a condition of receiving a grant under this section.”.

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**SEC. 7604. ASSISTANCE FOR FORESTRY RESEARCH UNDER THE MCINTIRE-STENNIS COOPERATIVE FORESTRY ACT.**

*Section 2 of Public Law 87-788 (commonly known as the “McIntire-Stennis Cooperative Forestry Act”) (16 U.S.C. 582a-1) is amended in the second sentence—*

- (1) by striking “and” before “1890 Institutions”; and*
- (2) by inserting “and 1994 Institutions (as defined in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103-382)) that offer an associate’s degree or a baccalaureate degree in forestry,” before “and (b)”.*

**SEC. 7605. LEGITIMACY OF INDUSTRIAL HEMP RESEARCH.**

*(a) IN GENERAL.—Section 7606 of the Agricultural Act of 2014 (7 U.S.C. 5940) is amended—*

- (1) by redesignating subsections (a) and (b) as subsections (b) and (a), respectively, and moving the subsections so as to appear in alphabetical order;*

*(2) in subsection (a) (as so redesignated)—*

- (A) by redesignating paragraph (3) as paragraph (4);*
- and*

*(B) by inserting after paragraph (2) the following:*

*“(3) STATE.—The term ‘State’ has the meaning given such term in section 297A of the Agricultural Marketing Act of 1946.”;*

*(3) in subsection (b) (as so redesignated), in the subsection heading, by striking “IN GENERAL” and inserting “INDUSTRIAL HEMP RESEARCH”; and*

*(4) by adding at the end the following:*

*“(c) STUDY AND REPORT.—*

*“(1) IN GENERAL.—The Secretary shall conduct a study of agricultural pilot programs—*

*“(A) to determine the economic viability of the domestic production and sale of industrial hemp; and*

*“(B) that shall include a review of—*

*“(i) each agricultural pilot program; and*

*“(ii) any other agricultural or academic research relating to industrial hemp.*

*“(2) REPORT.—Not later than 12 months after the date of enactment of this subsection, the Secretary shall submit to Congress a report describing the results of the study conducted under paragraph (1).”.*

*(b) REPEAL.—Effective on the date that is 1 year after the date on which the Secretary establishes a plan under section 297C of the Agricultural Marketing Act of 1946, section 7606 of the Agricultural Act of 2014 (7 U.S.C. 5940) is repealed.*

**SEC. 7606. COLLECTION OF DATA RELATING TO BARLEY AREA PLANTED AND HARVESTED.**

*For all acreage reports published after the date of enactment of this Act, the Secretary, acting through the Administrator of the National Agricultural Statistics Service, shall include the State of New York in the States surveyed to produce the table entitled “Barley Area Planted and Harvested” in those reports.*

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**SEC. 7607. COLLECTION OF DATA RELATING TO THE SIZE AND LOCATION OF DAIRY FARMS.**

(a) *IN GENERAL.*—Not later than 60 days after the date on which the 2017 Census of Agriculture is released, the Secretary, acting through the Administrator of the Economic Research Service, shall update the report entitled “Changes in the Size and Location of US Dairy Farms” contained in the report of the Economic Research Service entitled “Profits, Costs, and the Changing Structure of Dairy Farming” and published in September 2007.

(b) *REQUIREMENT.*—In updating the report described in subsection (a), the Secretary shall, to the maximum extent practicable, use the same unit of measurement for reporting the full range of herd sizes in Table 1 and Table 2 of the report while maintaining confidentiality of individual producers.

**SEC. 7608. AGRICULTURE INNOVATION CENTER DEMONSTRATION PROGRAM.**

Section 6402 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1632b) is amended—

(1) in subsection (d)(2)—

(A) in the matter preceding subparagraph (A), by striking “representatives of each of the following groups” and inserting “a diverse group of representatives of public and private entities, including the following.”;

(B) in subparagraph (A), by striking “The 2” and inserting “Two”;

(C) in subparagraph (B), by inserting “or a State legislator,” after “agency,”; and

(D) by amending subparagraph (C) to read as follows:

“(C) Four entities representing commodities produced in the State.”;

(2) in subsection (e)(1), by striking “subsection (i)” and inserting “subsection (g)”;

(3) by striking subsections (g), (h), and (i) and inserting the following new subsection:

“(g) *AUTHORIZATION OF APPROPRIATIONS.*—There are authorized to be appropriated to carry out this section \$15,000,000 for each of fiscal years 2019 through 2023.”.

**SEC. 7609. SMITH-LEVER COMMUNITY EXTENSION PROGRAM.**

(a) *IN GENERAL.*—Section 3(d) of the Smith-Lever Act (7 U.S.C. 343(d)) is amended by adding at the end the following new sentence: “A 1994 Institution (as defined in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382)) may compete for and receive funds directly from the Secretary of Agriculture for the Children, Youth, and Families at Risk funding program and the Federally Recognized Tribes Extension Program.”.

(b) *CONFORMING AMENDMENT.*—Section 533(a)(2)(A) of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382) is amended by striking clause (ii) and inserting the following:

“(ii) the Smith-Lever Act (7 U.S.C. 341 et seq.), except as provided under—

“(I) section 3(b)(3) of that Act (7 U.S.C. 343(b)(3)); or

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*“(II) the third sentence of section 3(d) of that Act (7 U.S.C. 343(d)); or”.*

**SEC. 7610. MECHANIZATION AND AUTOMATION FOR SPECIALTY CROPS.**

*(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall conduct a review of the programs of the Department of Agriculture that affect the production or processing of specialty crops.*

*(b) REQUIREMENTS.—The review under subsection (a) shall identify—*

*(1) programs that currently are, or previously have been, effectively used to accelerate the development and use of automation or mechanization in the production or processing of specialty crops; and*

*(2) programs that may be more effectively used to accelerate the development and use of automation or mechanization in the production or processing of specialty crops.*

*(c) STRATEGY.—With respect to programs identified under subsection (b), the Secretary shall develop and implement a strategy to accelerate the development and use of automation and mechanization in the production or processing of specialty crops.*

**SEC. 7611. EXPERIENCED SERVICES PROGRAM.**

*Section 1252 of the Food Security Act of 1985 (16 U.S.C. 3851) is amended—*

*(1) in the section heading, by striking “AGRICULTURE CONSERVATION”;*

*(2) in subsection (a)—*

*(A) in the first sentence—*

*(i) by striking “a conservation” and inserting “an”;*

*(ii) by striking “(in this section referred to as the ‘ACES Program’)” and inserting “(referred to in this section as the ‘program’)”; and*

*(iii) by striking “provide technical” and inserting the following: “provide—*

*“(1) technical”; and*

*(B) in paragraph (1) (as so designated)—*

*(i) by striking “Secretary. Such technical services may include” and inserting “Secretary, including”;*

*(ii) by striking the period at the end and inserting “; and”; and*

*(iii) by adding at the end the following:*

*“(2) technical, professional, and administrative services to support the research, education, and economics mission area of the Department of Agriculture (including the Agricultural Research Service, the Economic Research Service, the National Agricultural Library, the National Agricultural Statistics Service, the Office of the Chief Scientist, and the National Institute of Food and Agriculture), including—*

*“(A) supporting agricultural research and information;*

*“(B) advancing scientific knowledge relating to agriculture;*

*“(C) enhancing access to agricultural information;*



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*“(D) providing statistical information and research results to farmers, ranchers, agribusiness, and public officials; and*

*“(E) assisting research, education, and extension programs in land-grant colleges and universities (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)).”;*

*(3) by striking “ACES” each place it appears;*

*(4) by striking “technical services” each place it appears (other than in subsection (a)) and inserting “technical, professional, or administrative services, as applicable,”; and*

*(5) in subsection (c)—*

*(A) in paragraph (1)—*

*(i) by striking the paragraph heading and inserting “CONSERVATION TECHNICAL SERVICES.—”; and*

*(ii) by inserting “with respect to subsection (a)(1),” before “the Secretary”; and*

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

*“(3) RESEARCH, EDUCATION, AND ECONOMICS SERVICES.— With respect to services referred to in subsection (a)(2), the Secretary may carry out the program under the mission area referred to in such subsection to the extent that funds are specifically appropriated to provide such services under such mission area.”.*

**SEC. 7612. SIMPLIFIED PLAN OF WORK.**

*(a) SMITH-LEVER ACT.—The Smith-Lever Act is amended—*

*(1) in section 3(h)(2) (7 U.S.C. 343(h)(2)), by striking subparagraph (D); and*

*(2) in section 4(c) (7 U.S.C. 344(c)), by striking paragraphs (1) through (5) and inserting the following new paragraphs:*

*“(1) A summary of planned projects or programs in the State using formula funds.*

*“(2) A description of the manner in which the State will meet the requirements of section 3(h).*

*“(3) A description of the manner in which the State will meet the requirements of section 3(i)(2) of the Hatch Act of 1887 (7 U.S.C. 361c(i)(2)).*

*“(4) A description of matching funds provided by the State with respect to the previous fiscal year.”.*

*(b) HATCH ACT.—The Hatch Act of 1887 is amended—*

*(1) in section 3 (7 U.S.C. 361c)—*

*(A) by amending subsection (h) to read as follows:*

*“(h) PEER REVIEW.—Research carried out under subsection (c)(3) shall be subject to scientific peer review. The review of a project conducted under this subsection shall be considered to satisfy the merit review requirements of section 103(e) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7613(e)).”; and*

*(B) in subsection (i)(2), by striking subparagraph (D);*

*and*

*(2) in section 7(e) (7 U.S.C. 361g(e)), by striking paragraphs (1) through (4) and inserting the following new paragraphs:*

*“(1) A summary of planned projects or programs in the State using formula funds.*



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“(2) A description of the manner in which the State will meet the requirements of subsections (c)(3) and (i)(2) of section 3.

“(3) A description of matching funds provided by the State with respect to the previous fiscal year.”.

(c) **EXTENSION AND RESEARCH AT 1890 INSTITUTIONS.**—

(1) **EXTENSION.**—Section 1444(d)(3) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3221(d)(3)) is amended by striking subparagraphs (A) through (E) and inserting the following new subparagraphs:

“(A) A summary of planned projects or programs in the State using formula funds.

“(B) A description of matching funds provided by the State with respect to the previous fiscal year.”.

(2) **RESEARCH.**—Section 1445(c)(3) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222(c)(3)) is amended by striking subparagraphs (A) through (E) and inserting the following new subparagraphs:

“(A) A summary of planned projects or programs in the State using formula funds.

“(B) A description of matching funds provided by the State with respect to the previous fiscal year.”.

**SEC. 7613. REVIEW OF LAND-GRANT TIME AND EFFORT REPORTING REQUIREMENTS.**

(a) **IN GENERAL.**—The Secretary, in consultation with the Office of Management and Budget, shall review and revise current reporting requirements related to compensation charges, documentation of personnel expenses, and other requirements that are commonly referred to as time and effort reporting for entities that receive funds under a program referred to in clause (iii), (iv), (vii), (viii), or (xii) of section 251(f)(1)(C) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6971(f)(1)(C)).

(b) **REVISIONS.**—The Secretary shall ensure that any revision made pursuant to subsection (a)—

(1) is developed in collaboration with entities described in subsection (a); and

(2) reduces the amount of paperwork and time required by the requirements referred to in such subsection, as such requirements are in effect on the date of the enactment of this Act.

**SEC. 7614. MATCHING FUNDS REQUIREMENT.**

(a) **REPEAL.**—Subtitle P of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3371) is repealed.

(b) **CONFORMING AMENDMENTS.**—

(1) **NATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING POLICY ACT OF 1977.**—

(A) **GRANTS TO ENHANCE RESEARCH CAPACITY IN SCHOOLS OF VETERINARY MEDICINE.**—Section 1415(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3151(a)) is amended—

(i) by striking “The Secretary” and inserting the following:

“(1) **IN GENERAL.**—The Secretary”; and

(ii) by adding at the end the following:

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“(2) *MATCHING REQUIREMENT.*—A State receiving a grant under paragraph (1) shall provide State matching funds equal to not less than the amount of the grant.”

(B) *AQUACULTURE ASSISTANCE GRANT PROGRAM.*—Section 1475(b) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3322(b)) is amended by striking “The Secretary” and all that follows through the period at the end and inserting the following:

“(1) *IN GENERAL.*—Subject to paragraph (3), the Secretary may make competitive grants to entities eligible for grants under paragraph (2) for research and extension to facilitate or expand promising advances in the production and marketing of aquacultural food species and products and to enhance the safety and wholesomeness of those species and products, including the development of reliable supplies of seed stock and therapeutic compounds.

“(2) *ELIGIBLE ENTITIES.*—The Secretary may make a competitive grant under paragraph (1) to—

“(A) a land-grant or seagrant college or university;

“(B) a State agricultural experiment station;

“(C) a college, university, or Federal laboratory having a demonstrable capacity to conduct aquacultural research, as determined by the Secretary; or

“(D) a nonprofit private research institution.

“(3) *MATCHING STATE GRANTS.*—

“(A) *IN GENERAL.*—Except as provided in subparagraph (B), the Secretary shall not make a grant under paragraph (1) unless the State in which the grant recipient is located makes a grant to that recipient in an amount equal to not less than the amount of the grant under paragraph (1) (of which State amount an in-kind contribution shall not exceed 50 percent).

“(B) *FEDERAL LABORATORIES.*—Subparagraph (A) shall not apply to a grant to a Federal laboratory.”

(C) *RANGELAND RESEARCH.*—Section 1480 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3333) is amended—

(i) by striking “The Secretary” and inserting “(a) *IN GENERAL.*—The Secretary”; and

(ii) by adding at the end the following new subsection:

“(b) *MATCHING REQUIREMENTS.*—

“(1) *IN GENERAL.*—Except as provided in paragraph (2), this grant program shall be based on a matching formula of 50 percent Federal and 50 percent non-Federal funding (including funding from an agricultural commodity promotion, research, and information program).

“(2) *EXCEPTION.*—Paragraph (1) shall not apply to a grant to a Federal laboratory or a grant under subsection (a)(2).”

(2) *FOOD, AGRICULTURE, CONSERVATION, AND TRADE ACT OF 1990.*—

(A) *FEDERAL-STATE MATCHING GRANT PROGRAM.*—Section 1623(d)(2) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5813(d)(2)) is amended by striking the second sentence.

(B) *AGRICULTURAL GENOME INITIATIVE.*—Section 1671 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5924) (as amended by section 7208) is amended—

(i) by redesignating subsection (f) as subsection (g);

and

(ii) by inserting after subsection (e) the following:

“(f) *MATCHING FUNDS REQUIREMENT.*—

“(1) *IN GENERAL.*—Subject to paragraph (3), with respect to a grant or cooperative agreement under this section that provides a particular benefit to a specific agricultural commodity, the recipient of funds under the grant or cooperative agreement shall provide non-Federal matching funds (including funds from an agricultural commodity promotion, research, and information program) equal to not less than the amount provided under the grant or cooperative agreement.

“(2) *IN-KIND SUPPORT.*—Non-Federal matching funds described in paragraph (1) may include in-kind support.

“(3) *WAIVER.*—The Secretary may waive the matching funds requirement under paragraph (1) with respect to a research project if the Secretary determines that—

“(A) the results of the project are of a particular benefit to a specific agricultural commodity, but those results are likely to be applicable to agricultural commodities generally; or

“(B)(i) the project—

“(I) involves a minor commodity; and

“(II) deals with scientifically important research;

and

“(ii) the recipient is unable to satisfy the matching funds requirement.”

(C) *HIGH-PRIORITY RESEARCH AND EXTENSION INITIATIVES.*—Section 1672(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925(a)) is amended—

(i) by striking “The Secretary of Agriculture” and inserting the following:

“(1) *IN GENERAL.*—The Secretary of Agriculture”;

(ii) in paragraph (1) (as so designated), in the second sentence, by striking “The Secretary shall” and inserting the following:

“(3) *CONSULTATION.*—The Secretary shall”; and

(iii) by inserting after paragraph (1) the following:

“(2) *MATCHING FUNDS REQUIREMENT.*—

“(A) *IN GENERAL.*—Subject to subparagraph (C), an entity receiving a grant under paragraph (1) shall provide non-Federal matching funds (including funds from an agricultural commodity promotion, research, and information program) equal to not less than the amount of the grant.

“(B) *IN-KIND SUPPORT.*—Non-Federal matching funds described in subparagraph (A) may include in-kind support.

“(C) *WAIVER.*—The Secretary may waive the matching funds requirement under subparagraph (A) with respect to a research project if the Secretary determines that—

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*“(i) the results of the project are of a particular benefit to a specific agricultural commodity, but those results are likely to be applicable to agricultural commodities generally; or*

*“(ii)(I) the project—*

*“(aa) involves a minor commodity; and*

*“(bb) deals with scientifically important research; and*

*“(II) the recipient is unable to satisfy the matching funds requirement.”.*

**(D) ORGANIC AGRICULTURE RESEARCH AND EXTENSION INITIATIVE.**—Section 1672B of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925b) (as amended by section 7210) is amended—

*(i) by redesignating subsections (c), (d), and (e) as subsections (d), (e), and (f), respectively; and*

*(ii) by inserting after subsection (b) the following:*

*“(c) MATCHING REQUIREMENT.—*

*“(1) IN GENERAL.—Subject to paragraph (3), an entity receiving a grant under subsection (a) shall provide non-Federal matching funds (including funds from an agricultural commodity promotion, research, and information program) equal to not less than the amount of the grant.*

*“(2) IN-KIND SUPPORT.—Non-Federal matching funds described in paragraph (1) may include in-kind support.*

*“(3) WAIVER.—The Secretary may waive the matching funds requirement under paragraph (1) with respect to a research project if the Secretary determines that—*

*“(A) the results of the project are of a particular benefit to a specific agricultural commodity, but those results are likely to be applicable to agricultural commodities generally; or*

*“(B)(i) the project—*

*“(I) involves a minor commodity; and*

*“(II) deals with scientifically important research;*

*and*

*“(ii) the recipient is unable to satisfy the matching funds requirement.”.*

**(3) AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION REFORM ACT OF 1998.—**

**(A) INTEGRATED RESEARCH, EDUCATION, AND EXTENSION COMPETITIVE GRANTS PROGRAM.**—Section 406 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7626) is amended—

*(i) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and*

*(ii) by inserting after subsection (c) the following:*

*“(d) MATCHING FUNDS REQUIREMENT.—*

*“(1) IN GENERAL.—Subject to paragraph (3), with respect to a grant under this section that provides a particular benefit to a specific agricultural commodity, the recipient of the grant shall provide non-Federal matching funds (including funds from an agricultural commodity promotion, research, and information program) equal to not less than the amount of the grant.*

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“(2) *IN-KIND SUPPORT.*—Non-Federal matching funds described in paragraph (1) may include in-kind support.

“(3) *WAIVER.*—The Secretary may waive the matching funds requirement under paragraph (1) with respect to a grant if the Secretary determines that—

“(A) the results of the grant are of a particular benefit to a specific agricultural commodity, but those results are likely to be applicable to agricultural commodities generally; or

“(B)(i) the grant—

“(I) involves a minor commodity; and

“(II) deals with scientifically important research;

and

“(ii) the recipient is unable to satisfy the matching funds requirement.”.

(B) *SPECIALTY CROP RESEARCH INITIATIVE.*—Section 412(g) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7632(g)) is amended—

(i) by redesignating paragraph (3) as paragraph (4); and

(ii) by inserting after paragraph (2) the following:

“(3) *MATCHING REQUIREMENT.*—

“(A) *IN GENERAL.*—An entity receiving a grant under this section shall provide non-Federal matching funds (including funds from an agricultural commodity promotion, research, and information program) equal to not less than the amount of the grant.

“(B) *IN-KIND SUPPORT.*—Non-Federal matching funds described in subparagraph (A) may include in-kind support.”.

(4) *OTHER LAWS.*—

(A) *SUN GRANT PROGRAM.*—Section 7526(c)(1)(C)(iv) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8114(c)(1)(C)(iv)) is amended by striking subclause (IV).

(B) *AGRICULTURE AND FOOD RESEARCH INITIATIVE.*—Subsection (b)(9) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 3157(b)(9)) is amended—

(i) in subparagraph (A), by striking clause (iii);

(ii) in subparagraph (B)—

(I) in clause (i), by striking “clauses (ii) and (iii),” and inserting “clause (ii),”; and

(II) by striking clause (iii); and

(iii) by adding at the end the following:

“(C) *APPLIED RESEARCH.*—An entity receiving a grant under paragraph (5)(B) for applied research that is commodity-specific and not of national scope shall provide non-Federal matching funds equal to not less than the amount of the grant.”.

(c) *APPLICATION OF AMENDMENTS.*—

(1) *AWARDS MADE AFTER DATE OF ENACTMENT.*—The amendments made by subsections (a) and (b) shall apply with respect to grants, cooperative agreements, or other awards described in subsection (b) that are made after the date of the enactment of this Act.



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(2) AWARDS MADE ON OR BEFORE DATE OF ENACTMENT.—Notwithstanding the amendments made by subsections (a) and (b), a matching funds requirement in effect on the day before the date of enactment of this Act under a provision of law amended by subsection (a) or (b) shall continue to apply to a grant, cooperative agreement, or other award described in subsection (b) that is made on or before the date of the enactment of this Act.

## **TITLE VIII—FORESTRY**

### **Subtitle A—Cooperative Forestry Assistance Act of 1978**

#### **SEC. 8101. SUPPORT FOR STATE ASSESSMENTS AND STRATEGIES FOR FOREST RESOURCES.**

Section 2A(f)(1) of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101a(f)(1)) is amended by striking “2018” and inserting “2023”.

#### **SEC. 8102. STATE AND PRIVATE FOREST LANDSCAPE-SCALE RESTORATION PROGRAM.**

(a) *IN GENERAL.*—Section 13A of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2109a) is amended to read as follows:

##### **“SEC. 13A. STATE AND PRIVATE FOREST LANDSCAPE-SCALE RESTORATION PROGRAM.**

“(a) *PURPOSE.*—The purpose of this section is to encourage collaborative, science-based restoration of priority forest landscapes.

“(b) *DEFINITIONS.*—In this section:

“(1) *INDIAN TRIBE.*—The term ‘Indian tribe’ has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).

“(2) *NONINDUSTRIAL PRIVATE FOREST LAND.*—The term ‘nonindustrial private forest land’ means land that—

“(A) is rural, as determined by the Secretary;

“(B) has existing tree cover or is suitable for growing trees; and

“(C) is owned by any private individual, group, association, corporation, Indian tribe, or other private legal entity.

“(3) *STATE FOREST LAND.*—The term ‘State forest land’ means land that—

“(A) is rural, as determined by the Secretary; and

“(B) is under State or local governmental ownership and considered to be non-Federal forest land.

“(c) *ESTABLISHMENT.*—The Secretary, in consultation with State foresters or appropriate State agencies, shall establish a competitive grant program to provide financial and technical assistance to encourage collaborative, science-based restoration of priority forest landscapes.

“(d) *ELIGIBILITY.*—To be eligible to receive a grant under this section, an applicant shall submit to the Secretary, through the State forester or appropriate State agency, a State and private forest



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*landscape-scale restoration proposal based on a restoration strategy that—*

- “(1) is complete or substantially complete;*
- “(2) is for a multiyear period;*
- “(3) covers nonindustrial private forest land or State forest land;*
- “(4) is accessible by wood-processing infrastructure; and*
- “(5) is based on the best available science.*

*“(e) PLAN CRITERIA.—A State and private forest landscape-scale restoration proposal submitted under this section shall include plans—*

- “(1) to reduce the risk of uncharacteristic wildfires;*
- “(2) to improve fish and wildlife habitats, including the habitats of threatened and endangered species;*
- “(3) to maintain or improve water quality and watershed function;*
- “(4) to mitigate invasive species, insect infestation, and disease;*
- “(5) to improve important forest ecosystems;*
- “(6) to measure ecological and economic benefits, including air quality and soil quality and productivity; and*
- “(7) to take other relevant actions, as determined by the Secretary.*

*“(f) PRIORITIES.—In making grants under this section, the Secretary shall give priority to plans that—*

- “(1) further a statewide forest assessment and resource strategy;*
- “(2) promote cross boundary landscape collaboration; and*
- “(3) leverage public and private resources.*

*“(g) COLLABORATION AND CONSULTATION.—The Chief of the Forest Service, the Chief of the Natural Resources Conservation Service, and relevant stakeholders shall collaborate and consult on an ongoing basis regarding—*

- “(1) administration of the program established under this section; and*
- “(2) identification of other applicable resources for landscape-scale restoration.*

*“(h) MATCHING FUNDS REQUIRED.—As a condition of receiving a grant under this section, the Secretary shall require the recipient of the grant to provide funds or in-kind support from non-Federal sources in an amount that is at least equal to the amount of Federal funds.*

*“(i) COORDINATION AND PROXIMITY ENCOURAGED.—In making grants under this section, the Secretary may consider coordination with and proximity to other landscape-scale projects on other land under the jurisdiction of the Secretary, the Secretary of the Interior, or a Governor of a State, including under—*

- “(1) the Collaborative Forest Landscape Restoration Program established under section 4003 of the Omnibus Public Land Management Act of 2009 (16 U.S.C. 7303);*
- “(2) landscape areas designated for insect and disease treatments under section 602 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6591a);*
- “(3) good neighbor authority under section 19;*

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“(4) *stewardship end result contracting projects authorized under section 604 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6591c);*

“(5) *appropriate State-level programs; and*

“(6) *other relevant programs, as determined by the Secretary.*

“(j) *REGULATIONS.—The Secretary shall promulgate such regulations as the Secretary determines necessary to carry out this section.*

“(k) *REPORT.—Not later than 3 years after the date of enactment of this section, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on—*

“(1) *the status of development, execution, and administration of selected projects;*

“(2) *the accounting of program funding expenditures; and*

“(3) *specific accomplishments that have resulted from landscape-scale projects.*

“(l) *FUND.—*

“(1) *IN GENERAL.—There is established in the Treasury a fund, to be known as the ‘State and Private Forest Landscape-Scale Restoration Fund’ (referred to in this subsection as the ‘Fund’), to be used by the Secretary to make grants under this section.*

“(2) *CONTENTS.—The Fund shall consist of such amounts as are appropriated to the Fund under paragraph (3).*

“(3) *AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Fund \$20,000,000 for each fiscal year beginning with the first full fiscal year after the date of enactment of this subsection through fiscal year 2023, to remain available until expended.”.*

(b) *CONFORMING AMENDMENTS.—*

(1) *Section 13B of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2109b) is repealed.*

(2) *Section 19(a)(4)(C) of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2113(a)(4)(C)) is amended by striking “sections 13A and 13B” and inserting “section 13A”.*

## ***Subtitle B—Forest and Rangeland Renewable Resources Research Act of 1978***

### **SEC. 8201. REPEAL OF RECYCLING RESEARCH.**

*Section 9 of the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1648) is repealed.*

### **SEC. 8202. REPEAL OF FORESTRY STUDENT GRANT PROGRAM.**

*Section 10 of the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1649) is repealed.*

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### **Subtitle C—Global Climate Change Prevention Act of 1990**

**SEC. 8301. REPEALS RELATING TO BIOMASS.**

(a) *BIOMASS ENERGY DEMONSTRATION PROJECTS.*—Section 2410 of the Global Climate Change Prevention Act of 1990 (7 U.S.C. 6708) is repealed.

(b) *INTERAGENCY COOPERATION TO MAXIMIZE BIOMASS GROWTH.*—Section 2411 of the Global Climate Change Prevention Act of 1990 (7 U.S.C. 6709) is amended in the matter preceding paragraph (1) by striking “to—” and all that follows through “such forests and lands” in paragraph (2) and inserting “to develop a program to manage forests and land on Department of Defense military installations”.

### **Subtitle D—Healthy Forests Restoration Act of 2003**

**SEC. 8401. PROMOTING CROSS-BOUNDARY WILDFIRE MITIGATION.**

Section 103 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6513) is amended by adding at the end the following:

“(e) *CROSS-BOUNDARY HAZARDOUS FUEL REDUCTION PROJECTS.*—

“(1) *DEFINITIONS.*—In this subsection:

“(A) *HAZARDOUS FUEL REDUCTION PROJECT.*—The term ‘hazardous fuel reduction project’ means a hazardous fuel reduction project described in paragraph (2).

“(B) *NON-FEDERAL LAND.*—The term ‘non-Federal land’ includes—

- “(i) State land;
- “(ii) county land;
- “(iii) Tribal land;
- “(iv) private land; and
- “(v) other non-Federal land.

“(2) *GRANTS.*—The Secretary may make grants to State foresters to support hazardous fuel reduction projects that incorporate treatments in landscapes across ownership boundaries on Federal and non-Federal land, particularly in areas identified as priorities in applicable State-wide forest resource assessments or strategies under section 2A(a) of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101a(a)), as mutually agreed to by the State forester and the Regional Forester.

“(3) *LAND TREATMENTS.*—To conduct and fund treatments for hazardous fuel reduction projects carried out by State foresters using grants under paragraph (2), the Secretary may use the authorities of the Secretary relating to cooperation and technical and financial assistance, including the good neighbor authority under—

“(A) section 8206 of the Agricultural Act of 2014 (16 U.S.C. 2113a); and

“(B) section 331 of the Department of the Interior and Related Agencies Appropriations Act, 2001 (16 U.S.C. 1011 note; Public Law 106–291).

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“(4) *COOPERATION.*—In carrying out a hazardous fuel reduction project using a grant under paragraph (2) on non-Federal land, the State forester, in consultation with the Secretary—

“(A) shall consult with any applicable owners of the non-Federal land; and

“(B) shall not implement the hazardous fuel reduction project on non-Federal land without the consent of the owner of the non-Federal land.

“(5) *AUTHORIZATION OF APPROPRIATIONS.*—There is authorized to be appropriated to carry out this subsection \$20,000,000 for each of fiscal years 2019 through 2023.”.

**SEC. 8402. AUTHORIZATION OF APPROPRIATIONS FOR HAZARDOUS FUEL REDUCTION ON FEDERAL LAND.**

Section 108 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6518) is amended by striking “\$760,000,000 for each fiscal year” and inserting “\$660,000,000 for each of fiscal years 2019 through 2023”.

**SEC. 8403. REPEAL OF BIOMASS COMMERCIAL UTILIZATION GRANT PROGRAM.**

(a) *IN GENERAL.*—Section 203 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6531) is repealed.

(b) *CONFORMING AMENDMENT.*—The table of contents for the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6501 note; Public Law 108–148) is amended by striking the item relating to section 203.

**SEC. 8404. WATER SOURCE PROTECTION PROGRAM.**

(a) *IN GENERAL.*—Title III of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6541 et seq.) is amended by adding at the end the following:

**“SEC. 303. WATER SOURCE PROTECTION PROGRAM.**

“(a) *DEFINITIONS.*—In this section:

“(1) *END WATER USER.*—The term ‘end water user’ means a non-Federal entity, including—

“(A) a State;

“(B) a political subdivision of a State;

“(C) an Indian tribe;

“(D) a utility;

“(E) a municipal water system;

“(F) an irrigation district;

“(G) a nonprofit organization; and

“(H) a corporation.

“(2) *FOREST MANAGEMENT ACTIVITY.*—The term ‘forest management activity’ means a project carried out by the Secretary on National Forest System land.

“(3) *FOREST PLAN.*—The term ‘forest plan’ means a land management plan prepared by the Forest Service for a unit of the National Forest System pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604).

“(4) *NON-FEDERAL PARTNER.*—The term ‘non-Federal partner’ means an end water user with whom the Secretary has entered into a partnership agreement under subsection (c)(1).

“(5) PROGRAM.—The term ‘Program’ means the Water Source Protection Program established under subsection (b).

“(6) SECRETARY.—The term ‘Secretary’ means the Secretary of Agriculture, acting through the Chief of the Forest Service.

“(7) WATER SOURCE MANAGEMENT PLAN.—The term ‘water source management plan’ means the water source management plan developed under subsection (d)(1).

“(b) ESTABLISHMENT.—The Secretary shall establish and maintain a program, to be known as the ‘Water Source Protection Program’, to carry out watershed protection and restoration projects on National Forest System land.

“(c) WATER SOURCE INVESTMENT PARTNERSHIPS.—

“(1) IN GENERAL.—In carrying out the Program, the Secretary may enter into water source investment partnership agreements with end water users to protect and restore the condition of National Forest watersheds that provide water to the end water users.

“(2) FORM.—A partnership agreement described in paragraph (1) may take the form of—

“(A) a memorandum of understanding;

“(B) a cost-share or collection agreement;

“(C) a long-term funding matching commitment; or

“(D) another appropriate instrument, as determined by the Secretary.

“(d) WATER SOURCE MANAGEMENT PLAN.—

“(1) IN GENERAL.—In carrying out the Program, the Secretary, in cooperation with the non-Federal partners and applicable State, local, and Tribal governments, may develop a water source management plan that describes the proposed implementation of watershed protection and restoration projects under the Program.

“(2) REQUIREMENT.—A water source management plan shall be conducted in a manner consistent with the forest plan applicable to the National Forest System land on which the watershed protection and restoration project is carried out.

“(3) ENVIRONMENTAL ANALYSIS.—The Secretary may conduct a single environmental impact statement or similar analysis required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.)—

“(A) for each watershed protection and restoration project included in the water source management plan; or

“(B) as part of the development of, or after the finalization of, the water source management plan.

“(e) FOREST MANAGEMENT ACTIVITIES.—

“(1) IN GENERAL.—To the extent that forest management activities are necessary to protect, maintain, or enhance water quality, and in accordance with paragraph (2), the Secretary shall carry out forest management activities as part of watershed protection and restoration projects carried out on National Forest System land, with the primary purpose of—

“(A) protecting a municipal water supply system;

“(B) restoring forest health from insect infestations and disease; or

“(C) any combination of the purposes described in subparagraphs (A) and (B).



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“(2) *COMPLIANCE.*—The Secretary shall carry out forest management activities under paragraph (1) in accordance with—

“(A) *this Act;*

“(B) *the applicable water source management plan;*

“(C) *the applicable forest plan; and*

“(D) *other applicable laws.*

“(f) *ENDANGERED SPECIES ACT OF 1973.*—In carrying out the Program, the Secretary may use the Manual on Adaptive Management of the Department of the Interior, including any associated guidance, to comply with the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.).

“(g) *FUNDS AND SERVICES.*—

“(1) *IN GENERAL.*—In carrying out the Program, the Secretary may accept and use funding, services, and other forms of investment and assistance from non-Federal partners to implement the water source management plan.

“(2) *MATCHING FUNDS REQUIRED.*—The Secretary shall require the contribution of funds or in-kind support from non-Federal partners to be in an amount that is at least equal to the amount of Federal funds.

“(3) *MANNER OF USE.*—The Secretary may accept and use investments described in paragraph (1) directly or indirectly through the National Forest Foundation.

“(4) *WATER SOURCE PROTECTION FUND.*—

“(A) *IN GENERAL.*—Subject to the availability of appropriations, the Secretary may establish a Water Source Protection Fund to match funds or in-kind support contributed by non-Federal partners under paragraph (1).

“(B) *USE OF APPROPRIATED FUNDS.*—There is authorized to be appropriated to carry out this section \$10,000,000 for each of fiscal years 2019 through 2023.

“(C) *PARTNERSHIP AGREEMENTS.*—The Secretary may make multiyear commitments, if necessary, to implement 1 or more partnership agreements under subsection (c).”.

(b) *CONFORMING AMENDMENT.*—The table of contents for the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6501 note; Public Law 108–148) is amended by striking the item relating to section 303 and inserting the following:

“Sec. 303. Water Source Protection Program.”.

**SEC. 8405. WATERSHED CONDITION FRAMEWORK.**

(a) *IN GENERAL.*—Title III of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6541 et seq.) (as amended by section 8404(a)) is amended by adding at the end the following:

**“SEC. 304. WATERSHED CONDITION FRAMEWORK.**

“(a) *IN GENERAL.*—The Secretary of Agriculture, acting through the Chief of the Forest Service (referred to in this section as the ‘Secretary’), may establish and maintain a Watershed Condition Framework for National Forest System land—

“(1) to evaluate and classify the condition of watersheds, taking into consideration—

“(A) *water quality and quantity;*

“(B) *aquatic habitat and biota;*

“(C) *riparian and wetland vegetation;*



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- “(D) the presence of roads and trails;
  - “(E) soil type and condition;
  - “(F) groundwater-dependent ecosystems;
  - “(G) relevant terrestrial indicators, such as fire regime, risk of catastrophic fire, forest and rangeland vegetation, invasive species, and insects and disease; and
  - “(H) other significant factors, as determined by the Secretary;
- “(2) to identify for protection and restoration up to 5 priority watersheds in each National Forest, and up to 2 priority watersheds in each national grassland, taking into consideration the impact of the condition of the watershed condition on—
- “(A) wildfire behavior;
  - “(B) flood risk;
  - “(C) fish and wildlife;
  - “(D) drinking water supplies;
  - “(E) irrigation water supplies;
  - “(F) forest-dependent communities; and
  - “(G) other significant impacts, as determined by the Secretary;
- “(3) to develop a watershed protection and restoration action plan for each priority watershed that—
- “(A) takes into account existing restoration activities being implemented in the watershed; and
  - “(B) includes, at a minimum—
    - “(i) the major stressors responsible for the impaired condition of the watershed;
    - “(ii) a set of essential projects that, once completed, will address the identified stressors and improve watershed conditions;
    - “(iii) a proposed implementation schedule;
    - “(iv) potential partners and funding sources; and
    - “(v) a monitoring and evaluation program;
- “(4) to prioritize protection and restoration activities for each watershed restoration action plan;
- “(5) to implement each watershed protection and restoration action plan; and
- “(6) to monitor the effectiveness of protection and restoration actions and indicators of watershed health.
- “(b) COORDINATION.—In carrying out subsection (a), the Secretary shall—
- “(1) coordinate with interested non-Federal landowners and State, Tribal, and local governments within the relevant watershed; and
  - “(2) provide for an active and ongoing public engagement process.
- “(c) EMERGENCY DESIGNATION.—Notwithstanding paragraph (2) of subsection (a), the Secretary may identify a watershed as a priority for rehabilitation in the Watershed Condition Framework without using the process described in that subsection if a Forest Supervisor determines that—
- “(1) a wildfire has significantly diminished the condition of the watershed; and

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“(2) the emergency stabilization activities of the Burned Area Emergency Response Team are insufficient to return the watershed to proper function.”.

(b) **CONFORMING AMENDMENT.**—The table of contents for the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6501 note; Public Law 108–148) (as amended by section 8404(b)) is amended by inserting after the item relating to section 303 the following:

“Sec. 304. Watershed Condition Framework.”.

**SEC. 8406. AUTHORIZATION OF APPROPRIATIONS TO COMBAT INSECT INFESTATIONS AND RELATED DISEASES.**

(a) **IN GENERAL.**—Section 406 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6556) is amended to read as follows:

**“SEC. 406. TERMINATION OF EFFECTIVENESS.**

“The authority provided by this title terminates effective October 1, 2023.”.

(b) **CONFORMING AMENDMENT.**—The table of contents for the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6501 note; Public Law 108–148) is amended by striking the item relating to section 406 and inserting the following:

“Sec. 406. Termination of effectiveness.”.

**SEC. 8407. HEALTHY FORESTS RESTORATION ACT OF 2003 AMENDMENTS.**

(a) **HEALTHY FORESTS RESERVE PROGRAM.**—

(1) **ADDITIONAL PURPOSE OF PROGRAM.**—Section 501(a) of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6571(a)) is amended—

(A) by striking “and” at the end of paragraph (2);

(B) by redesignating paragraph (3) as paragraph (4);

and

(C) by inserting after paragraph (2) the following new paragraph:

“(3) to conserve forest land that provides habitat for species described in section 502(b); and”.

(2) **ELIGIBILITY FOR ENROLLMENT.**—Subsection (b) of section 502 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6572) is amended to read as follows:

“(b) **ELIGIBILITY.**—To be eligible for enrollment in the healthy forests reserve program, land shall be private forest land, or private land being restored to forest land, the enrollment of which will maintain, restore, enhance, or otherwise measurably—

“(1) increase the likelihood of recovery of a species that is listed as endangered or threatened under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533); or

“(2) improve the well-being of a species that—

“(A) is—

“(i) not listed as endangered or threatened under such section; and

“(ii) a candidate for such listing, a State-listed species, or a special concern species; or

“(B) is deemed a species of greatest conservation need by a State wildlife action plan.”.

(3) **OTHER ENROLLMENT CONSIDERATIONS.**—Section 502(c) of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6572(c)) is amended—

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- (A) by striking “and” at the end of paragraph (1);  
 (B) by redesignating paragraph (2) as paragraph (3);  
 and  
 (C) by inserting after paragraph (1) the following new paragraph:  
 “(2) conserve forest land that provides habitat for species described in subsection (b); and”.
- (4) **ELIMINATION OF LIMITATION ON USE OF EASEMENTS.**—Section 502(e) of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6572(e)) is amended by striking paragraph (2) and redesignating paragraph (3) as paragraph (2).
- (5) **ENROLLMENT OF ACREAGE OWNED BY AN INDIAN TRIBE.**—Paragraph (2) of section 502(e) of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6572(e)) (as redesignated by paragraph (4)) is amended, in subparagraph (B), by striking clauses (ii) and (iii) and inserting the following new clauses:  
 “(i) a 10-year cost-share agreement;  
 “(iii) a permanent easement; or  
 “(iv) any combination of the options described in clauses (i) through (iii).”.
- (6) **ENROLLMENT PRIORITY.**—Section 502(f)(1)(B) of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6572(f)(1)(B)) is amended by striking clause (ii) and inserting the following:  
 “(ii)(I) are candidates for such listing, State-listed species, or special concern species; or  
 “(II) are deemed a species of greatest conservation need under a State wildlife action plan.”.
- (7) **RESTORATION PLANS.**—Subsection (b) of section 503 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6573) is amended to read as follows:  
 “(b) **PRACTICES.**—The restoration plan shall require such restoration practices and measures as are necessary to restore and enhance habitat for species described in section 502(b), including the following:  
 “(1) Land management practices.  
 “(2) Vegetative treatments.  
 “(3) Structural practices and measures.  
 “(4) Practices to increase carbon sequestration.  
 “(5) Practices to improve biological diversity.  
 “(6) Other practices and measures.”.
- (8) **FUNDING.**—Section 508(b) of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6578(b)) is amended—  
 (A) in the subsection heading, by striking “FISCAL YEARS 2014 THROUGH 2018” and inserting “AUTHORIZATION OF APPROPRIATIONS”; and  
 (B) by striking “2018” and inserting “2023”.
- (9) **TECHNICAL CORRECTION.**—Section 503(a) of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6573(a)) is amended by striking “Secretary of Interior” and inserting “Secretary of the Interior”.
- (b) **INSECT AND DISEASE INFESTATION.**—  
 (1) **TREATMENT OF AREAS.**—Section 602(d)(1) of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6591a(d)(1)) is amended by striking “subsection (b) to reduce the risk or extent

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*of, or increase the resilience to, insect or disease infestation in the areas.” and inserting the following: “subsection (b)—*

*“(A) to reduce the risk or extent of, or increase the resilience to, insect or disease infestation; or*

*“(B) to reduce hazardous fuels.”.*

*(2) EXTENSION OF AUTHORITY.—Section 602(d)(2) of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6591a(d)(2)) is amended by striking “2018” and inserting “2023”.*

**SEC. 8408. AUTHORIZATION OF APPROPRIATIONS FOR DESIGNATION OF TREATMENT AREAS.**

*Section 602 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6591a) is amended by striking subsection (f).*

## ***Subtitle E—Repeal or Reauthorization of Miscellaneous Forestry Programs***

**SEC. 8501. REPEAL OF REVISION OF STRATEGIC PLAN FOR FOREST INVENTORY AND ANALYSIS.**

*Section 8301 of the Agricultural Act of 2014 (16 U.S.C. 1642 note; Public Law 113–79) is repealed.*

**SEC. 8502. SEMIARID AGROFORESTRY RESEARCH CENTER.**

*Section 1243(d) of the Food, Agriculture, Conservation, and Trade Act of 1990 (16 U.S.C. 1642 note; Public Law 101–624) is amended by striking “annually” and inserting “for each of fiscal years 2019 through 2023”.*

**SEC. 8503. NATIONAL FOREST FOUNDATION ACT.**

*(a) MATCHING FUNDS.—Section 405(b) of the National Forest Foundation Act (16 U.S.C. 583j–3(b)) is amended by striking “2018” and inserting “2023”.*

*(b) AUTHORIZATION OF APPROPRIATIONS.—Section 410(b) of the National Forest Foundation Act (16 U.S.C. 583j–8(b)) is amended by striking “2018” and inserting “2023”.*

**SEC. 8504. CONVEYANCE OF FOREST SERVICE ADMINISTRATIVE SITES.**

*Section 503(f) of the Forest Service Facility Realignment and Enhancement Act of 2005 (16 U.S.C. 580d note; Public Law 109–54) is amended by striking “2016” and inserting “2023”.*

## ***Subtitle F—Forest Management***

**SEC. 8601. DEFINITION OF NATIONAL FOREST SYSTEM.**

*In this subtitle, the term “National Forest System” has the meaning given the term in section 11(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1609(a)).*

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**PART I—EXPEDITED ENVIRONMENTAL ANALYSIS AND AVAILABILITY OF CATEGORICAL EXCLUSIONS TO EXPEDITE FOREST MANAGEMENT ACTIVITIES**

**SEC. 8611. CATEGORICAL EXCLUSION FOR GREATER SAGE-GROUSE AND MULE DEER HABITAT.**

*(a) IN GENERAL.—Title VI of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6591 et seq.) is amended by adding at the end the following:*

**“SEC. 606. CATEGORICAL EXCLUSION FOR GREATER SAGE-GROUSE AND MULE DEER HABITAT.**

*“(a) DEFINITIONS.—In this section:*

*“(1) COVERED VEGETATION MANAGEMENT ACTIVITY.—*

*“(A) IN GENERAL.—The term ‘covered vegetation management activity’ means any activity described in subparagraph (B) that—*

*“(i)(I) is carried out on National Forest System land administered by the Forest Service; or*

*“(II) is carried out on public land administered by the Bureau of Land Management;*

*“(ii) with respect to public land, meets the objectives of the order of the Secretary of the Interior numbered 3336 and dated January 5, 2015;*

*“(iii) conforms to an applicable forest plan or land use plan;*

*“(iv) protects, restores, or improves greater sage-grouse or mule deer habitat in a sagebrush steppe ecosystem as described in—*

*“(I) Circular 1416 of the United States Geological Survey entitled ‘Restoration Handbook for Sagebrush Steppe Ecosystems with Emphasis on Greater Sage-Grouse Habitat—Part 1. Concepts for Understanding and Applying Restoration’ (2015); or*

*“(II) the habitat guidelines for mule deer published by the Mule Deer Working Group of the Western Association of Fish and Wildlife Agencies;*

*“(v) will not permanently impair—*

*“(I) the natural state of the treated area;*

*“(II) outstanding opportunities for solitude;*

*“(III) outstanding opportunities for primitive, unconfined recreation;*

*“(IV) economic opportunities consistent with multiple-use management; or*

*“(V) the identified values of a unit of the National Landscape Conservation System;*

*“(vi)(I) restores native vegetation following a natural disturbance;*

*“(II) prevents the expansion into greater sage-grouse or mule deer habitat of—*

*“(aa) juniper, pinyon pine, or other associated conifers; or*

*“(bb) nonnative or invasive vegetation;*

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*“(III) reduces the risk of loss of greater sage-grouse or mule deer habitat from wildfire or any other natural disturbance; or*

*“(IV) provides emergency stabilization of soil resources after a natural disturbance; and*

*“(vii) provides for the conduct of restoration treatments that—*

*“(I) maximize the retention of old-growth and large trees, as appropriate for the forest type;*

*“(II) consider the best available scientific information to maintain or restore the ecological integrity, including maintaining or restoring structure, function, composition, and connectivity;*

*“(III) are developed and implemented through a collaborative process that—*

*“(aa) includes multiple interested persons representing diverse interests; and*

*“(bb)(AA) is transparent and nonexclusive;*

*or*

*“(BB) meets the requirements for a resource advisory committee under subsections (c) through (f) of section 205 of the Secure Rural Schools and Community Self-Determination Act of 2000 (16 U.S.C. 7125); and*

*“(IV) may include the implementation of a proposal that complies with the eligibility requirements of the Collaborative Forest Landscape Restoration Program under section 4003(b) of the Omnibus Public Land Management Act of 2009 (16 U.S.C. 7303(b)).*

*“(B) DESCRIPTION OF ACTIVITIES.—An activity referred to in subparagraph (A) is—*

*“(i) manual cutting and removal of juniper trees, pinyon pine trees, other associated conifers, or other nonnative or invasive vegetation;*

*“(ii) mechanical mastication, cutting, or mowing, mechanical piling and burning, chaining, broadcast burning, or yarding;*

*“(iii) removal of cheat grass, medusa head rye, or other nonnative, invasive vegetation;*

*“(iv) collection and seeding or planting of native vegetation using a manual, mechanical, or aerial method;*

*“(v) seeding of nonnative, noninvasive, ruderal vegetation only for the purpose of emergency stabilization;*

*“(vi) targeted use of an herbicide, subject to the condition that the use shall be in accordance with applicable legal requirements, Federal agency procedures, and land use plans;*

*“(vii) targeted livestock grazing to mitigate hazardous fuels and control noxious and invasive weeds;*

*“(viii) temporary removal of wild horses or burros in the area in which the activity is being carried out to ensure treatment objectives are met;*



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“(ix) in coordination with the affected permit holder, modification or adjustment of permissible usage under an annual plan of use of a grazing permit issued by the Secretary concerned to achieve restoration treatment objectives;

“(x) installation of new, or modification of existing, fencing or water sources intended to control use or improve wildlife habitat; or

“(xi) necessary maintenance of, repairs to, rehabilitation of, or reconstruction of an existing permanent road or construction of temporary roads to accomplish the activities described in this subparagraph.

“(C) *EXCLUSIONS.*—The term ‘covered vegetation management activity’ does not include—

“(i) any activity conducted in a wilderness area or wilderness study area;

“(ii) any activity for the construction of a permanent road or permanent trail;

“(iii) any activity conducted on Federal land on which, by Act of Congress or Presidential proclamation, the removal of vegetation is restricted or prohibited;

“(iv) any activity conducted in an area in which activities under subparagraph (B) would be inconsistent with the applicable land and resource management plan; or

“(v) any activity conducted in an inventoried roadless area.

“(2) *SECRETARY CONCERNED.*—The term ‘Secretary concerned’ means—

“(A) the Secretary of Agriculture, with respect to National Forest System land; and

“(B) the Secretary of the Interior, with respect to public land.

“(3) *TEMPORARY ROAD.*—The term ‘temporary road’ means a road that is—

“(A) authorized—

“(i) by a contract, permit, lease, other written authorization; or

“(ii) pursuant to an emergency operation;

“(B) not intended to be part of the permanent transportation system of a Federal department or agency;

“(C) not necessary for long-term resource management;

“(D) designed in accordance with standards appropriate for the intended use of the road, taking into consideration—

“(i) safety;

“(ii) the cost of transportation; and

“(iii) impacts to land and resources; and

“(E) managed to minimize—

“(i) erosion; and

“(ii) the introduction or spread of invasive species.

“(b) *CATEGORICAL EXCLUSION.*—

“(1) *IN GENERAL.*—Not later than 1 year after the date of enactment of this section, the Secretary concerned shall develop

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*a categorical exclusion (as defined in section 1508.4 of title 40, Code of Federal Regulations (or a successor regulation)) for covered vegetation management activities carried out to protect, restore, or improve habitat for greater sage-grouse or mule deer.*

*“(2) ADMINISTRATION.—In developing and administering the categorical exclusion under paragraph (1), the Secretary concerned shall—*

*“(A) comply with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);*

*“(B) with respect to National Forest System land, apply the extraordinary circumstances procedures under section 220.6 of title 36, Code of Federal Regulations (or successor regulations), in determining whether to use the categorical exclusion;*

*“(C) with respect to public land, apply the extraordinary circumstances procedures under section 46.215 of title 43, Code of Federal Regulations (or successor regulations), in determining whether to use the categorical exclusion; and*

*“(D) consider—*

*“(i) the relative efficacy of landscape-scale habitat projects;*

*“(ii) the likelihood of continued declines in the populations of greater sage-grouse and mule deer in the absence of landscape-scale vegetation management; and*

*“(iii) the need for habitat restoration activities after wildfire or other natural disturbances.*

*“(c) IMPLEMENTATION OF COVERED VEGETATIVE MANAGEMENT ACTIVITIES WITHIN THE RANGE OF GREATER SAGE-GROUSE AND MULE DEER.—If the categorical exclusion developed under subsection (b) is used to implement a covered vegetative management activity in an area within the range of both greater sage-grouse and mule deer, the covered vegetative management activity shall protect, restore, or improve habitat concurrently for both greater sage-grouse and mule deer.*

*“(d) LONG-TERM MONITORING AND MAINTENANCE.—Before commencing any covered vegetation management activity that is covered by the categorical exclusion under subsection (b), the Secretary concerned shall develop a long-term monitoring and maintenance plan, covering at least the 20-year period beginning on the date of commencement, to ensure that management of the treated area does not degrade the habitat gains secured by the covered vegetation management activity.*

*“(e) DISPOSAL OF VEGETATIVE MATERIAL.—Subject to applicable local restrictions, any vegetative material resulting from a covered vegetation management activity that is covered by the categorical exclusion under subsection (b) may be—*

*“(1) used for—*

*“(A) fuel wood; or*

*“(B) other products; or*

*“(2) piled or burned, or both.*

*“(f) TREATMENT FOR TEMPORARY ROADS.—*

*“(1) IN GENERAL.—Notwithstanding subsection (a)(1)(B)(xi), any temporary road constructed in carrying out a covered vege-*

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tation management activity that is covered by the categorical exclusion under subsection (b)—

“(A) shall be used by the Secretary concerned for the covered vegetation management activity for not more than 2 years; and

“(B) shall be decommissioned by the Secretary concerned not later than 3 years after the earlier of the date on which—

“(i) the temporary road is no longer needed; and

“(ii) the project is completed.

“(2) REQUIREMENT.—A treatment under paragraph (1) shall include reestablishing native vegetative cover—

“(A) as soon as practicable; but

“(B) not later than 10 years after the date of completion of the applicable covered vegetation management activity.

“(g) LIMITATIONS.—

“(1) PROJECT SIZE.—A covered vegetation management activity that is covered by the categorical exclusion under subsection (b) may not exceed 4,500 acres.

“(2) LOCATION.—A covered vegetation management activity carried out on National Forest System land that is covered by the categorical exclusion under subsection (b) shall be limited to areas designated under section 602(b), as of the date of enactment of this section.”.

(b) CONFORMING AMENDMENTS.—The table of contents for the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6501 note; Public Law 108–148) is amended by adding at the end of the items relating to title VI the following:

“Sec. 602. Designation of treatment areas.

“Sec. 603. Administrative review.

“Sec. 604. Stewardship end result contracting projects.

“Sec. 605. Wildfire resilience projects.

“Sec. 606. Categorical exclusion for greater sage-grouse and mule deer habitat.”.

## **PART II—MISCELLANEOUS FOREST MANAGEMENT ACTIVITIES**

### **SEC. 8621. ADDITIONAL AUTHORITY FOR SALE OR EXCHANGE OF SMALL PARCELS OF NATIONAL FOREST SYSTEM LAND.**

(a) INCREASE IN MAXIMUM VALUE OF SMALL PARCELS.—Section 3 of Public Law 97–465 (commonly known as the “Small Tract Act of 1983”) (16 U.S.C. 521e) is amended in the matter preceding paragraph (1) by striking “\$150,000” and inserting “\$500,000”.

(b) ADDITIONAL CONVEYANCE PURPOSES.—Section 3 of Public Law 97–465 (16 U.S.C. 521e) (as amended by subsection (a)) is amended—

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

(2) in paragraph (3), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

“(4) parcels of 40 acres or less that are determined by the Secretary—

“(A) to be physically isolated from other Federal land;

“(B) to be inaccessible; or

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*“(C) to have lost National Forest character;*

*“(5) parcels of 10 acres or less that are not eligible for conveyance under paragraph (2) but are encroached on by a permanent habitable improvement for which there is no evidence that the encroachment was intentional or negligent; or*

*“(6) parcels used as a cemetery (including a parcel of not more than 1 acre adjacent to the parcel used as a cemetery), a landfill, or a sewage treatment plant under a special use authorization issued or otherwise authorized by the Secretary.”.*

*(c) DISPOSITION OF PROCEEDS.—Section 2 of Public Law 97–465 (16 U.S.C. 521d) is amended—*

*(1) in the matter preceding paragraph (1), by striking “The Secretary is authorized” and inserting the following:*

*“(a) CONVEYANCE AUTHORITY; CONSIDERATION.—The Secretary is authorized”;*

*(2) in paragraph (2), in the second sentence, by striking “The Secretary shall insert” and inserting the following:*

*“(b) INCLUSION OF TERMS, COVENANTS, CONDITIONS, AND RESERVATIONS.—*

*“(1) IN GENERAL.—The Secretary shall insert”;*

*(3) in subsection (b) (as so designated)—*

*(A) by striking “covenants” and inserting “covenants”;*

*and*

*(B) in the second sentence by striking “The preceding sentence shall not” and inserting the following:*

*“(2) LIMITATION.—Paragraph (1) shall not”;* and

*(4) by adding at the end the following:*

*“(c) DISPOSITION OF PROCEEDS.—*

*“(1) DEPOSIT IN SISK FUND.—The net proceeds derived from any sale or exchange conducted under paragraph (4), (5), or (6) of section 3 shall be deposited in the fund established under Public Law 90–171 (commonly known as the ‘Sisk Act’) (16 U.S.C. 484a).*

*“(2) USE.—Amounts deposited under paragraph (1) shall be available to the Secretary until expended for—*

*“(A) the acquisition of land or interests in land for administrative sites for the National Forest System in the State from which the amounts were derived;*

*“(B) the acquisition of land or interests in land for inclusion in the National Forest System in that State, including land or interests in land that enhance opportunities for recreational access; or*

*“(C) the reimbursement of the Secretary for costs incurred in preparing a sale conducted under the authority of section 3 if the sale is a competitive sale.”.*

**SEC. 8622. FOREST SERVICE PARTICIPATION IN ACES PROGRAM.**

*Section 8302 of the Agricultural Act of 2014 (16 U.S.C. 3851a) is amended—*

*(1) by striking “The Secretary” and inserting the following:*

*“(a) IN GENERAL.—The Secretary”;* and

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

*“(b) TERMINATION OF EFFECTIVENESS.—The authority provided to the Secretary to carry out this section terminates effective October 1, 2023.”.*

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**SEC. 8623. AUTHORIZATION FOR LEASE OF FOREST SERVICE SITES.**(a) **DEFINITIONS.**—*In this section:*(1) **ADMINISTRATIVE SITE.**—(A) **IN GENERAL.**—*The term “administrative site” means—*(i) *any facility or improvement, including curtilage, that was acquired or is used specifically for purposes of administration of the National Forest System;*(ii) *any Federal land that—*(I) *is associated with a facility or improvement described in clause (i) that was acquired or is used specifically for purposes of administration of Forest Service activities; and*(II) *underlies or abuts the facility or improvement; and*(iii) *for each fiscal year, not more than 10 isolated, undeveloped parcels of not more than 40 acres each.*(B) **EXCLUSIONS.**—*The term “administrative site” does not include—*(i) *any land within a unit of the National Forest System that is exclusively designated for natural area or recreational purposes;*(ii) *any land within—*(I) *a component of the National Wilderness Preservation System;*(II) *a component of the National Wild and Scenic Rivers System; or*(III) *a National Monument; or*(iii) *any Federal land that the Secretary determines—*(I) *is needed for resource management purposes or to provide access to other land or water; or*(II) *would be in the public interest not to lease.*(2) **FACILITY OR IMPROVEMENT.**—*The term “facility or improvement” includes—*(A) *a forest headquarters;*(B) *a ranger station;*(C) *a research station or laboratory;*(D) *a dwelling;*(E) *a warehouse;*(F) *a scaling station;*(G) *a fire-retardant mixing station;*(H) *a fire-lookout station;*(I) *a guard station;*(J) *a storage facility;*(K) *a telecommunication facility; and*(L) *any other administrative installation for conducting Forest Service activities.*(3) **MARKET ANALYSIS.**—*The term “market analysis” means the identification and study of the market for a particular economic good or service.*

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(b) *AUTHORIZATION.*—The Secretary may lease an administrative site that is under the jurisdiction of the Secretary in accordance with this section.

(c) *IDENTIFICATION OF ELIGIBLE SITES.*—A regional forester, in consultation with forest supervisors in the region, may submit to the Secretary a recommendation for administrative sites in the region that the regional forester considers eligible for leasing under this section.

(d) *CONSULTATION WITH LOCAL GOVERNMENT AND PUBLIC NOTICE.*—Before making an administrative site available for lease under this section, the Secretary shall—

- (1) consult with government officials of the community and of the State in which the administrative site is located; and
- (2) provide public notice of the proposed lease.

(e) *LEASE REQUIREMENTS.*—

(1) *SIZE.*—An administrative site or compound of administrative sites under a single lease under this section may not exceed 40 acres.

(2) *CONFIGURATION OF ADMINISTRATIVE SITES.*—

(A) *IN GENERAL.*—To facilitate the lease of an administrative site under this section, the Secretary may configure the administrative site—

- (i) to maximize the marketability of the administrative site; and
- (ii) to achieve management objectives.

(B) *SEPARATE TREATMENT OF FACILITY OR IMPROVEMENT.*—A facility or improvement on an administrative site to be leased under this section may be severed from the land and leased under a separate lease under this section.

(3) *CONSIDERATION.*—

(A) *IN GENERAL.*—A person to which a lease of an administrative site is made under this section shall provide to the Secretary consideration described in subparagraph (B) in an amount that is not less than the market value of the administrative site, as determined in accordance with subparagraph (C).

(B) *FORM OF CONSIDERATION.*—The consideration referred to in subparagraph (A) may be—

- (i) cash;
- (ii) in-kind, including—
  - (I) the construction of new facilities or improvements, the title to which shall be transferred by the lessee to the Secretary;
  - (II) the maintenance, repair, improvement, or restoration of existing facilities or improvements; and
  - (III) other services relating to activities that occur on the administrative site, as determined by the Secretary; or
- (iii) any combination of the consideration described in clauses (i) and (ii).

(C) *DETERMINATION OF MARKET VALUE.*—

(i) *IN GENERAL.*—The Secretary shall determine the market value of an administrative site to be leased under this section—



(I) by conducting an appraisal in accordance with—

(aa) the Uniform Appraisal Standards for Federal Land Acquisitions established in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.); and

(bb) the Uniform Standards of Professional Appraisal Practice; or

(II) by competitive lease.

(ii) *IN-KIND CONSIDERATION.*—The Secretary shall determine the market value of any in-kind consideration under subparagraph (B)(ii).

(4) *CONDITIONS.*—The lease of an administrative site under this section shall be subject to such conditions, including bonding, as the Secretary determines to be appropriate.

(5) *RIGHT OF FIRST REFUSAL.*—Subject to terms and conditions that the Secretary determines to be necessary, the Secretary shall offer to lease an administrative site to the municipality or county in which the administrative site is located before seeking to lease the administrative site to any other person.

(f) *RELATION TO OTHER LAWS.*—

(1) *FEDERAL PROPERTY DISPOSAL.*—Chapter 5 of title 40, United States Code, shall not apply to the lease of an administrative site under this section.

(2) *LEAD-BASED PAINT AND ASBESTOS ABATEMENT.*—

(A) *IN GENERAL.*—Notwithstanding any provision of law relating to the mitigation or abatement of lead-based paint or asbestos-containing building materials, the Secretary shall not be required to mitigate or abate lead-based paint or asbestos-containing building materials with respect to an administrative site to be leased under this section.

(B) *PROCEDURES.*—With respect to an administrative site to be leased under this section that has lead-based paint or asbestos-containing building materials, the Secretary shall—

(i) provide notice to the person to which the administrative site will be leased of the presence of the lead-based paint or asbestos-containing building material; and

(ii) obtain written assurance from that person that the person will comply with applicable Federal, State, and local laws relating to the management of lead-based paint and asbestos-containing building materials.

(3) *ENVIRONMENTAL REVIEW.*—The National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall apply to the lease of an administrative site under this section, except that, in any environmental review or analysis required under that Act for the lease of an administrative site under this section, the Secretary shall be required only—

(A) to analyze the most reasonably foreseeable use of the administrative site, as determined through a market analysis;

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(B) to determine whether to include any conditions under subsection (e)(4); and

(C) to evaluate the alternative of not leasing the administrative site in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(4) **COMPLIANCE WITH LOCAL LAWS.**—A person that leases an administrative site under this section shall comply with all applicable State and local zoning laws, building codes, and permit requirements for any construction activities that occur on the administrative site.

(g) **PROHIBITION.**—No agency of the Federal Government shall make any cash payments to a leaseholder relating to the use or occupancy of any administrative site or facility that has been improved under this section.

(h) **CONGRESSIONAL NOTIFICATIONS.**—

(1) **ANTICIPATED USE OF AUTHORITY.**—As part of the annual budget justification documents provided to the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate, the Secretary shall include—

(A) a list of the anticipated leases to be made, including the anticipated revenue that may be obtained, under this section;

(B) a description of the intended use of any revenue obtained under a lease under this section, including a list of any projects that cost more than \$500,000; and

(C) a description of accomplishments during previous years using the authority of the Secretary under this section.

(2) **CHANGES TO LEASE LIST.**—If the Secretary desires to lease an administrative site under this section that is not included on a list provided under paragraph (1)(A), the Secretary shall submit to the congressional committees described in paragraph (3) a notice of the proposed lease, including the anticipated revenue that may be obtained from the lease.

(3) **USE OF AUTHORITY.**—Not less frequently than once each year, the Secretary shall submit to the Committee on Agriculture, the Committee on Appropriations, and the Committee on Natural Resources of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry, the Committee on Appropriations, and the Committee on Energy and Natural Resources of the Senate a report describing each lease made by the Secretary under this section during the period covered by the report.

(i) **EXPIRATION OF AUTHORITY.**—

(1) **IN GENERAL.**—The authority of the Secretary to make a lease of an administrative site under this section expires on October 1, 2023.

(2) **EFFECT ON LEASE AGREEMENT.**—Paragraph (1) shall not affect the authority of the Secretary to carry out this section in the case of any lease agreement that was entered into by the Secretary before October 1, 2023.

**SEC. 8624. GOOD NEIGHBOR AUTHORITY.**

(a) **INCLUSION OF INDIAN TRIBES.**—Section 8206(a) of the Agricultural Act of 2014 (16 U.S.C. 2113a(a)) is amended—

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(1) in paragraph (1)(A), by striking “land and non-Federal land” and inserting “land, non-Federal land, and land owned by an Indian tribe”;

(2) in paragraph (5), by inserting “or Indian tribe” after “affected State”;

(3) by redesignating paragraphs (6) through (8) as paragraphs (7) through (9), respectively; and

(4) by inserting after paragraph (5) (as so redesignated) the following:

“(6) INDIAN TRIBE.—The term ‘Indian tribe’ has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).”.

(b) INCLUSION OF COUNTIES.—Section 8206 of the Agricultural Act of 2014 (16 U.S.C. 2113a) is amended—

(1) in subsection (a)—

(A) in paragraph (1)(B), by inserting “or county, as applicable,” after “Governor”;

(B) by redesignating paragraphs (2) through (9) (as amended by subsection (a)) as paragraphs (3) through (10), respectively;

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

“(2) COUNTY.—The term ‘county’ means—

“(A) the appropriate executive official of an affected county; or

“(B) in any case in which multiple counties are affected, the appropriate executive official of a compact of the affected counties.”; and

(D) in paragraph (5) (as so redesignated), by inserting “or county, as applicable,” after “Governor”; and

(2) in subsection (b)—

(A) in paragraph (1)(A), by inserting “or county” after “Governor”;

(B) in paragraph (2)(A), by striking “cooperative agreement or contract entered into under subsection (a)” and inserting “good neighbor agreement”;

(C) in paragraph (3), by inserting “or county” after “Governor”; and

(D) by adding at the end the following:

“(4) RECEIPTS.—Notwithstanding any other provision of law, any payment made by a county to the Secretary under a project conducted under a good neighbor agreement shall not be considered to be monies received from National Forest System land or Bureau of Land Management land, as applicable.”.

(c) TREATMENT OF REVENUE FROM TIMBER SALE CONTRACTS.—Section 8206(b)(2) of the Agricultural Act of 2014 (16 U.S.C. 2113a(b)(2)) is amended by adding at the end the following:

“(C) TREATMENT OF REVENUE.—

“(i) IN GENERAL.—Funds received from the sale of timber by a Governor of a State under a good neighbor agreement shall be retained and used by the Governor—

“(I) to carry out authorized restoration services on Federal land under the good neighbor agreement; and

“(II) if there are funds remaining after carrying out subclause (I), to carry out authorized restoration services on Federal land within the State under other good neighbor agreements.

“(ii) TERMINATION OF EFFECTIVENESS.—The authority provided by this subparagraph terminates effective October 1, 2023.”.

**SEC. 8625. CHATTAHOOCHEE-OCONEE NATIONAL FOREST LAND ADJUSTMENT.**

(a) FINDINGS.—Congress finds that—

(1) certain National Forest System land in the State of Georgia consists of isolated tracts that are inefficient to manage or have lost their principal value for National Forest purposes;

(2) the disposal of that National Forest System land would be in the public interest; and

(3) proceeds from the sale of National Forest System land under subsection (b)(1) would be used best by the Forest Service to purchase land for National Forest purposes in the State of Georgia.

(b) LAND CONVEYANCE AUTHORITY.—

(1) IN GENERAL.—Under such terms and conditions as the Secretary may prescribe, the Secretary may sell or exchange any or all rights, title, and interest of the United States in and to the National Forest System land described in paragraph (2)(A).

(2) LAND AUTHORIZED FOR DISPOSAL.—

(A) IN GENERAL.—The National Forest System land referred to in paragraph (1) is the 30 tracts of land totaling approximately 3,841 acres that are generally depicted on the 2 maps entitled “Priority Land Adjustments, State of Georgia, U.S. Forest Service–Southern Region, Oconee and Chattahoochee National Forests, U.S. Congressional Districts–8, 9, 10 & 14” and dated September 24, 2013.

(B) MAPS.—The maps described in subparagraph (A) shall be on file and available for public inspection in the Office of the Forest Supervisor, Chattahoochee-Oconee National Forest, until such time as the land is sold or exchanged.

(C) MODIFICATION OF BOUNDARIES.—The Secretary may modify the boundaries of the National Forest System land described in subparagraph (A) based on land management considerations.

(3) FORM OF CONVEYANCE.—

(A) QUITCLAIM DEED.—The Secretary shall convey National Forest System land sold or exchanged under paragraph (1) by quitclaim deed.

(B) RESERVATIONS.—The Secretary may reserve any rights-of-way or other rights or interests in National Forest System land sold or exchanged under paragraph (1) that the Secretary considers necessary for management purposes or to protect the public interest.

(4) VALUATION.—

(A) MARKET VALUE.—The Secretary may not sell or exchange National Forest System land under paragraph (1) for less than market value, as determined by appraisal or through competitive bid.

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(B) *APPRAISAL REQUIREMENTS.*—Any appraisal under subparagraph (A) shall be—

(i) *consistent with the Uniform Appraisal Standards for Federal Land Acquisitions or the Uniform Standards of Professional Appraisal Practice; and*

(ii) *subject to the approval of the Secretary.*

(5) *CONSIDERATION.*—

(A) *CASH.*—Consideration for a sale of National Forest System land or equalization of an exchange under paragraph (1) shall be paid in cash.

(B) *EXCHANGE.*—Notwithstanding section 206(b) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(b)), the Secretary may accept a cash equalization payment in excess of 25 percent of the value of any National Forest System land exchanged under paragraph (1).

(6) *METHOD OF SALE.*—

(A) *OPTIONS.*—The Secretary may sell National Forest System land under paragraph (1) at public or private sale, including competitive sale by auction, bid, or otherwise, in accordance with such terms, conditions, and procedures as the Secretary determines are in the best interest of the United States.

(B) *SOLICITATIONS.*—The Secretary may—

(i) *make public or private solicitations for the sale or exchange of National Forest System land under paragraph (1); and*

(ii) *reject any offer that the Secretary determines is not adequate or not in the public interest.*

(7) *BROKERS.*—The Secretary may—

(A) *use brokers or other third parties in the sale or exchange of National Forest System land under paragraph (1); and*

(B) *from the proceeds of a sale, pay reasonable commissions or fees.*

(c) *TREATMENT OF PROCEEDS.*—

(1) *DEPOSIT.*—Subject to subsection (b)(7)(B), the Secretary shall deposit the proceeds of a sale or a cash equalization payment received from the sale or exchange of National Forest System land under subsection (b)(1) in the fund established under Public Law 90–171 (commonly known as the “Sisk Act”) (16 U.S.C. 484a).

(2) *AVAILABILITY.*—Subject to paragraph (3), amounts deposited under paragraph (1) shall be available to the Secretary until expended, without further appropriation, for the acquisition of land for National Forest purposes in the State of Georgia.

(3) *PRIVATE PROPERTY PROTECTION.*—Nothing in this section authorizes the use of funds deposited under paragraph (1) to be used to acquire land without the written consent of the owner of the land.

**SEC. 8626. TENNESSEE WILDERNESS.**

(a) *DEFINITIONS.*—In this section:



(1) *MAP.*—The term “Map” means the map entitled “Proposed Wilderness Areas and Additions-Cherokee National Forest” and dated January 20, 2010.

(2) *STATE.*—The term “State” means the State of Tennessee.

(b) *ADDITIONS TO CHEROKEE NATIONAL FOREST.*—

(1) *DESIGNATION OF WILDERNESS.*—In accordance with the Wilderness Act (16 U.S.C. 1131 et seq.), the following parcels of Federal land in the Cherokee National Forest in the State are designated as wilderness and as additions to the National Wilderness Preservation System:

(A) Certain land comprising approximately 9,038 acres, as generally depicted as the “Upper Bald River Wilderness” on the Map and which shall be known as the “Upper Bald River Wilderness”.

(B) Certain land comprising approximately 348 acres, as generally depicted as the “Big Frog Addition” on the Map and which shall be incorporated in, and shall be considered to be a part of, the Big Frog Wilderness.

(C) Certain land comprising approximately 630 acres, as generally depicted as the “Little Frog Mountain Addition NW” on the Map and which shall be incorporated in, and shall be considered to be a part of, the Little Frog Mountain Wilderness.

(D) Certain land comprising approximately 336 acres, as generally depicted as the “Little Frog Mountain Addition NE” on the Map and which shall be incorporated in, and shall be considered to be a part of, the Little Frog Mountain Wilderness.

(E) Certain land comprising approximately 2,922 acres, as generally depicted as the “Sampson Mountain Addition” on the Map and which shall be incorporated in, and shall be considered to be a part of, the Sampson Mountain Wilderness.

(F) Certain land comprising approximately 4,446 acres, as generally depicted as the “Big Laurel Branch Addition” on the Map and which shall be incorporated in, and shall be considered to be a part of, the Big Laurel Branch Wilderness.

(G) Certain land comprising approximately 1,836 acres, as generally depicted as the “Joyce Kilmer-Slickrock Addition” on the Map and which shall be incorporated in, and shall be considered to be a part of, the Joyce Kilmer-Slickrock Wilderness.

(2) *MAPS AND LEGAL DESCRIPTIONS.*—

(A) *IN GENERAL.*—As soon as practicable after the date of enactment of this Act, the Secretary shall file maps and legal descriptions of the wilderness areas designated by paragraph (1) with the appropriate committees of Congress.

(B) *PUBLIC AVAILABILITY.*—The maps and legal descriptions filed under subparagraph (A) shall be on file and available for public inspection in the office of the Chief of the Forest Service and the office of the Supervisor of the Cherokee National Forest.

(C) *FORCE OF LAW.*—The maps and legal descriptions filed under subparagraph (A) shall have the same force and



effect as if included in this Act, except that the Secretary may correct typographical errors in the maps and descriptions.

(3) **ADMINISTRATION.**—

(A) **IN GENERAL.**—Subject to valid existing rights, the Federal land designated as wilderness by paragraph (1) shall be administered by the Secretary in accordance with the Wilderness Act (16 U.S.C. 1131 et seq.), except that any reference in that Act to the effective date of that Act shall be deemed to be a reference to the date of enactment of this Act.

(B) **FISH AND WILDLIFE MANAGEMENT.**—In accordance with section 4(d)(7) of the Wilderness Act (16 U.S.C. 1133(d)(7)), nothing in this section affects the jurisdiction of the State with respect to fish and wildlife management, including the regulation of hunting, fishing, and trapping, in the wilderness areas designated by paragraph (1).

**SEC. 8627. KISATCHIE NATIONAL FOREST LAND CONVEYANCE.**

(a) **FINDING.**—Congress finds that it is in the public interest to authorize the conveyance of certain Federal land in the Kisatchie National Forest in the State of Louisiana for market value consideration.

(b) **DEFINITIONS.**—In this section:

(1) **COLLINS CAMP PROPERTIES.**—The term “Collins Camp Properties” means Collins Camp Properties, Inc., a corporation incorporated under the laws of the State.

(2) **STATE.**—The term “State” means the State of Louisiana.

(c) **AUTHORIZATION OF CONVEYANCES, KISATCHIE NATIONAL FOREST, LOUISIANA.**—

(1) **AUTHORIZATION.**—

(A) **IN GENERAL.**—Subject to valid existing rights and paragraph (2), the Secretary may convey the Federal land described in subparagraph (B) by quitclaim deed at public or private sale, including competitive sale by auction, bid, or other methods.

(B) **DESCRIPTION OF LAND.**—The Federal land referred to in subparagraph (A) consists of—

(i) all Federal land within sec. 9, T. 10 N., R. 5 W., Winn Parish, Louisiana; and

(ii) a 2.16-acre parcel of Federal land located in the SW<sup>1</sup>/<sub>4</sub> of sec. 4, T. 10 N., R. 5 W., Winn Parish, Louisiana, as depicted on a certificate of survey dated March 7, 2007, by Glen L. Cannon, P.L.S. 4436.

(2) **FIRST RIGHT OF PURCHASE.**—Subject to valid existing rights and subsection (e), during the 1-year period beginning on the date of enactment of this Act, on the provision of consideration by the Collins Camp Properties to the Secretary, the Secretary shall convey, by quitclaim deed, to Collins Camp Properties all right, title, and interest of the United States in and to—

(A) the not more than 47.92 acres of Federal land comprising the Collins Campsites within sec. 9, T. 10 N., R. 5 W., in Winn Parish, Louisiana, as generally depicted on a certificate of survey dated February 28, 2007, by Glen L. Cannon, P.L.S. 4436; and

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- (B) the parcel of Federal land described in paragraph (1)(B)(ii).
- (3) **TERMS AND CONDITIONS.**—The Secretary may—
- (A) configure the Federal land to be conveyed under this section—
- (i) to maximize the marketability of the conveyance; or
- (ii) to achieve management objectives; and
- (B) establish any terms and conditions for the conveyances under this section that the Secretary determines to be in the public interest.
- (4) **CONSIDERATION.**—Consideration for a conveyance of Federal land under this section shall be—
- (A) in the form of cash; and
- (B) in an amount equal to the market value of the Federal land being conveyed, as determined under paragraph (5).
- (5) **MARKET VALUE.**—The market value of the Federal land conveyed under this section shall be determined—
- (A) in the case of Federal land conveyed under paragraph (2), by an appraisal that is—
- (i) conducted in accordance with the Uniform Appraisal Standards for Federal Land Acquisitions; and
- (ii) approved by the Secretary; or
- (B) if conveyed by a method other than the methods described in paragraph (2), by competitive sale.
- (6) **HAZARDOUS SUBSTANCES.**—
- (A) **IN GENERAL.**—In any conveyance of Federal land under this section, the Secretary shall meet disclosure requirements for hazardous substances, but shall otherwise not be required to remediate or abate the substances.
- (B) **EFFECT.**—Except as provided in subparagraph (A), nothing in this subsection affects the application of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) to the conveyances of Federal land.
- (d) **PROCEEDS FROM THE SALE OF LAND.**—The Secretary shall deposit the proceeds of a conveyance of Federal land under subsection (c) in the fund established under Public Law 90–171 (commonly known as the “Sisk Act”) (16 U.S.C. 484a).
- (e) **ADMINISTRATION.**—
- (1) **COSTS.**—As a condition of a conveyance of Federal land to Collins Camp Properties under subsection (c), the Secretary shall require Collins Camp Properties to pay at closing—
- (A) reasonable appraisal costs; and
- (B) the cost of any administrative and environmental analyses required by law (including regulations).
- (2) **PERMITS.**—
- (A) **IN GENERAL.**—An offer by Collins Camp Properties for the acquisition of the Federal land under subsection (c) shall be accompanied by a written statement from each holder of a Forest Service special use authorization with respect to the Federal land that specifies that the holder agrees to relinquish the special use authorization on the conveyance of the Federal land to Collins Camp Properties.

(B) *SPECIAL USE AUTHORIZATIONS.*—If any holder of a special use authorization described in subparagraph (A) fails to provide a written authorization in accordance with that subparagraph, the Secretary shall require, as a condition of the conveyance, that Collins Camp Properties administer the special use authorization according to the terms of the special use authorization until the date on which the special use authorization expires.

**SEC. 8628. PURCHASE OF NATURAL RESOURCES CONSERVATION SERVICE PROPERTY, RIVERSIDE COUNTY, CALIFORNIA.**

(a) *FINDINGS.*—Congress finds as follows:

(1) Since 1935, the United States has owned a parcel of land in Riverside, California, consisting of approximately 8.75 acres, more specifically described in subsection (b)(1) (in this section referred to as the “property”).

(2) The property is under the jurisdiction of the Department of Agriculture and has been variously used for research and plant materials purposes.

(3) Since 1998, the property has been administered by the Natural Resources Conservation Service of the Department of Agriculture.

(4) Since 2002, the property has been co-managed under a cooperative agreement between the Natural Resources Conservation Service and the Riverside Corona Resource Conservation District, which is a legal subdivision of the State of California under section 9003 of the California Public Resources Code.

(5) The Conservation District wishes to purchase the property and use it for conservation, environmental, and related educational purposes.

(6) As provided in subsection (b), the purchase of the property by the Conservation District would promote the conservation education and related activities of the Conservation District and result in savings to the Federal Government.

**(b) LAND PURCHASE, NATURAL RESOURCES CONSERVATION SERVICE PROPERTY, RIVERSIDE COUNTY, CALIFORNIA.—**

(1) *PURCHASE AUTHORIZED.*—The Secretary shall sell and quitclaim to the Riverside Corona Resource Conservation District (in this section referred to as the “Conservation District”) all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, that is located at 4500 Glenwood Drive in Riverside, California, consists of approximately 8.75 acres, and is administered by the Natural Resources Conservation Service of the Department of Agriculture. As necessary or desirable to facilitate the purchase of the property under this subsection, the Secretary or the Conservation District may survey all or portions of the property.

(2) *CONSIDERATION.*—As consideration for the purchase of the property under this subsection, the Conservation District shall pay to the Secretary an amount equal to the appraised value of the property.

(3) *PROHIBITION ON RESERVATION OF INTEREST.*—The Secretary shall not reserve any future interest in the property to be conveyed under this subsection, except such interest as may be acceptable to the Conservation District.

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(4) *HAZARDOUS SUBSTANCES.*—Notwithstanding section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)) or the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.), in the case of the property purchased by the Conservation District under this subsection, the Secretary shall be only required to meet the disclosure requirements for hazardous substances, pollutants, or contaminants, but shall otherwise not be required to remediate or abate any such releases of hazardous substances, pollutants, or contaminants, including petroleum and petroleum derivatives.

(5) *COOPERATIVE AUTHORITY.*—

(A) *LEASES, CONTRACTS, AND COOPERATIVE AGREEMENTS AUTHORIZED.*—In conjunction with, or in addition to, the purchase of the property by the Conservation District under this subsection, the Secretary may enter into leases, contracts and cooperative agreements with the Conservation District.

(B) *SOLE SOURCE.*—Notwithstanding sections 3105, 3301, and 3303 to 3305 of title 41, United States Code, or any other provision of law, the Secretary may lease real property from the Conservation District on a noncompetitive basis.

(C) *NON-EXCLUSIVE AUTHORITY.*—The authority provided by this subsection is in addition to any other authority of the Secretary.

**SEC. 8629. COLLABORATIVE FOREST LANDSCAPE RESTORATION PROGRAM.**

(a) *WAIVER AUTHORITY.*—Section 4003(d) of the Omnibus Public Land Management Act of 2009 (16 U.S.C. 7303(d)) is amended by adding at the end the following:

“(4) *WAIVER.*—

“(A) *IN GENERAL.*—Subject to subparagraph (B), after consulting with the advisory panel established under subsection (e), if the Secretary determines that a proposal that has been selected under paragraph (1) and is being carried out continues to meet the eligibility criteria established by subsection (b), the Secretary, on a case-by-case basis, may issue for the proposal a 1-time extension of the 10-year period requirement under paragraph (1)(B) of that subsection.

“(B) *LIMITATION.*—The extension described in subparagraph (A)—

“(i) shall be for the shortest period of time practicable to complete implementation of the proposal, as determined by the Secretary; and

“(ii) shall not exceed 10 years.”

(b) *WAIVER LIMITATION.*—Section 4003(f)(4) of the Omnibus Public Land Management Act of 2009 (16 U.S.C. 7303(f)(4)) is amended by adding at the end the following:

“(C) *EXCEPTION.*—The limitation described in subparagraph (B)(i) shall not apply to a proposal for which a 1-time extension is granted under subsection (d)(4).”

(c) *REAUTHORIZATION.*—Section 4003(f)(6) of the Omnibus Public Land Management Act of 2009 (16 U.S.C. 7303(f)(6)) is amended by striking “\$40,000,000 for each of fiscal years 2009 through 2019”

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and inserting “\$80,000,000 for each of fiscal years 2019 through 2023”.

(d) **REPORTING REQUIREMENTS.**—Section 4003(h) of the Omnibus Public Land Management Act of 2009 (16 U.S.C. 7303(h)) is amended—

(1) in paragraph (3), by striking “and” after the semicolon;

(2) in paragraph (4), by striking the period at the end and inserting “; and”;

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

(4) by inserting after paragraph (2) the following:

“(3) the Committee on Agriculture, Nutrition, and Forestry of the Senate.”; and

(5) by adding at the end the following:

“(6) the Committee on Agriculture of the House of Representatives.”.

**SEC. 8630. UTILITY INFRASTRUCTURE RIGHTS-OF-WAY VEGETATION MANAGEMENT PILOT PROGRAM.**

(a) **DEFINITIONS.**—In this section:

(1) **NATIONAL FOREST SYSTEM LAND.**—

(A) **IN GENERAL.**—The term “National Forest System land” means land within the National Forest System, as defined in section 11(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1609(a)).

(B) **EXCLUSIONS.**—The term “National Forest System land” does not include—

(i) a National Grassland; or

(ii) a land utilization project on land designated as a National Grassland and administered pursuant to sections 31, 32, and 33 of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010, 1011, 1012).

(2) **PASSING WILDFIRE.**—The term “passing wildfire” means a wildfire that originates outside of a right-of-way.

(3) **PILOT PROGRAM.**—The term “pilot program” means the pilot program established by the Secretary under subsection (b).

(4) **RIGHT-OF-WAY.**—The term “right-of-way” means a special use authorization issued by the Forest Service allowing the placement of utility infrastructure.

(5) **UTILITY INFRASTRUCTURE.**—The term “utility infrastructure” means electric transmission lines, natural gas infrastructure, or related structures.

(b) **ESTABLISHMENT.**—

(1) **IN GENERAL.**—To encourage owners or operators of rights-of-way on National Forest System land to partner with the Forest Service to voluntarily conduct vegetation management projects on a proactive basis to better protect utility infrastructure from potential passing wildfires, the Secretary may establish a limited, voluntary pilot program, in the manner described in this section, to conduct vegetation management projects on National Forest System land adjacent to those rights-of-way.

(2) **APPLICATION.**—The pilot program shall not apply in a right-of-way described in paragraph (1).

(c) **ELIGIBLE PARTICIPANTS.**—



(1) *IN GENERAL.*—A participant in the pilot program shall be the owner or operator of a right-of-way on National Forest System land.

(2) *SELECTION PRIORITY.*—In selecting participants for the pilot program, the Secretary shall give priority to an owner or operator of a right-of-way that has developed the utility infrastructure protection prescriptions of the owner or operator in coordination with Forest Service fire scientists or fire managers.

(d) *VEGETATION MANAGEMENT PROJECTS.*—

(1) *IN GENERAL.*—A vegetation management project conducted under the pilot program shall involve only limited vegetation management activities that—

(A) shall create the least ground disturbance and least disturbance to wildlife reasonably necessary to protect utility infrastructure from passing wildfires based on applicable models, including Forest Service fuel models;

(B) may include thinning and treatment of surface fuels, ladder fuels, and activity fuels to create or maintain shaded fuel breaks or other appropriate measures recommended by Forest Service fire scientists or fire managers;

(C)(i) shall only be conducted on National Forest System land; and

(ii) shall not—

(I) extend for more than 150 feet from the electric transmission line for which the applicable participant has a right-of-way; or

(II) comprise an overall width, for both sides of that electric transmission line, that totals more than 200 feet; and

(D) shall not be conducted on—

(i) a component of the National Wilderness Preservation System;

(ii) a designated wilderness study area;

(iii) an inventoried roadless area; or

(iv) Federal land on which, by Act of Congress or Presidential proclamation, the removal of vegetation is restricted or prohibited.

(2) *APPROVAL.*—Each vegetation management project described in paragraph (1) shall be subject to approval by the Forest Service in accordance with this section.

(3) *FIRE PREVENTION.*—In carrying out a vegetation management project under the pilot program, a participant shall adhere to—

(A) Forest Service regulations relating to spark arresting devices;

(B) Forest Service regulations limiting and prohibiting certain activities conducted by contractors in an area, based on weather conditions and fire danger;

(C) Forest Service regulations that apply to contractors removing vegetation on National Forest System land pursuant to a timber sale or stewardship contract, including regulations relating to—

(i) protection of residual trees and timber damaged by contractors;



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- (ii) protection measures needed for plants, animals, cultural resources, and cave resources;
- (iii) streamcourse protection and erosion control;
- (iv) fire plans, precautions, and precautionary periods;
- (v) fire suppression costs; and
- (vi) employment of eligible workers; and

(D) State regulations relating to the prevention of wildfires and contractors removing vegetation.

(4) TREATMENT OF SLASH.—In carrying out a vegetation management project under the pilot program, a participant shall treat any activity fuels in a manner that—

- (A) is satisfactory to the Forest Service;
- (B) does not result in a fire hazard; and
- (C) reduces the risk of an insect or disease outbreak.

(e) PROJECT COSTS.—

(1) IN GENERAL.—Except as provided in paragraph (2) and subsection (f)(2), a participant in the pilot program shall be responsible for all costs, as determined by the Secretary, incurred in participating in the pilot program.

(2) FEDERAL FUNDING.—The Secretary may contribute funds for a vegetation management project conducted under the pilot program if the Secretary determines that the contribution is in the public interest.

(f) LIABILITY.—

(1) ACTIVITIES WITHIN RIGHTS-OF-WAY.—Participation in the pilot program shall not affect any legal obligations or liability standards that arise under the right-of-way for activities in the right-of-way.

(2) WILDFIRES.—

(A) OPERATIONS FIRES.—

(i) IN GENERAL.—With respect to fire suppression costs for a wildfire caused by the operations of a participant in the pilot program (other than an operation or activity of a participant described in subparagraph (B) or (C)), the participant shall reimburse the Forest Service for those costs, subject to a maximum dollar amount to which the Forest Service and the participant shall agree prior to the commencement of the project.

(ii) CREDIT FOR ACTIONS BY PARTICIPANTS.—

(I) IN GENERAL.—If a participant in the pilot program provides actions, supplies, or equipment for use to suppress a wildfire described in clause (i) or at the request of the Forest Service, the cost of those actions, supplies, or equipment shall be credited toward the maximum dollar amount described in that clause.

(II) REIMBURSEMENT.—If the actual cost of a participant described in subclause (I) exceeds the maximum dollar amount described in clause (i), the Forest Service shall reimburse the participant for the excess.

(B) NEGLIGENT FIRES.—

(i) IN GENERAL.—Subject to clause (ii), if a wildfire is caused by the negligence of a participant in the pilot

program, or an agent of the participant, including a wildfire caused by smoking by persons engaged in the operations of the participant, the participant shall bear the cost of damages to Forest Service resources and the fire suppression costs resulting from the wildfire.

(ii) *LIMITATION.*—Except as provided in clause (iii), the costs borne by a participant under clause (i) shall not exceed \$500,000.

(iii) *FAILURE TO COMPLY.*—If the start or spread of a wildfire described in clause (i) is caused by the failure of the participant to comply with specific safety requirements expressly imposed by the Forest Service as a condition of conducting a vegetation management project under the pilot program or by this section, the participant shall bear the cost of damages to Forest Service resources and the fire suppression costs resulting from the wildfire.

(C) *EXCEPTIONS.*—This paragraph shall not apply in the case of a wildfire caused by the felling of a tree by a participant in the pilot program, or an agent of the participant, onto an electric transmission line.

(3) *EFFECT.*—Nothing in this subsection relieves a participant in the pilot program of any liabilities to which the participant is subject—

(A) under State laws; or

(B) with regard to damages to property other than Forest Service property.

(g) *IMPLEMENTATION.*—

(1) *IN GENERAL.*—Except as provided in paragraph (3), the Secretary shall use the authority of the Secretary under other laws (including regulations) to carry out the pilot program.

(2) *COMPLIANCE WITH EXISTING LAWS.*—Except as provided in paragraph (3), a vegetation management project under the pilot program shall be—

(A) consistent with the applicable land management plan for the area in which the project is located; and

(B) carried out in accordance with all applicable laws, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(3) *MODIFICATION OF REGULATIONS.*—In order to implement the pilot program in an efficient and expeditious manner, the Secretary may waive or modify specific provisions of the Federal Acquisition Regulation, including waivers or modifications to allow for the formation of contracts or agreements on a non-competitive basis.

(h) *TREATMENT OF PROCEEDS.*—Notwithstanding any other provision of law, the Secretary may—

(1) retain any funds provided to the Forest Service by a participant in the pilot program; and

(2) use funds retained under paragraph (1), in such amounts as may be appropriated, to carry out the pilot program.

(i) *REPORT TO CONGRESS.*—Not later than December 31, 2020, and 2 years thereafter, the Secretary shall submit a report describ-

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ing the status of the pilot program and vegetation management projects conducted under the pilot program to—

(1) the Committees on Agriculture, Nutrition, and Forestry and Energy and Natural Resources of the Senate; and

(2) the Committees on Agriculture and Natural Resources of the House of Representatives.

(j) DURATION.—The authority to carry out the pilot program, including any vegetation management project conducted under the pilot program, expires on October 1, 2023.

**SEC. 8631. OKHISSA LAKE RURAL ECONOMIC DEVELOPMENT LAND CONVEYANCE.**

(a) DEFINITION OF ALLIANCE.—In this section, the term “Alliance” means the Scenic Rivers Development Alliance.

(b) REQUEST.—Subject to the requirements of this section, if the Alliance submits a written request for conveyance by not later than 180 days after the date of enactment of this Act and the Secretary determines that it is in the public interest to convey the National Forest System Land described in subsection (c), the Secretary shall convey to the Alliance all right, title, and interest of the United States in and to the National Forest System land described in subsection (c) by quitclaim deed through a public or private sale, including a competitive sale by auction or bid.

(c) DESCRIPTION OF NATIONAL FOREST SYSTEM LAND.—

(1) IN GENERAL.—Subject to paragraph (2), the National Forest System land referred to in subsection (b) is the approximately 150 acres of real property located in sec. 6, T. 5 N. R. 4 E., Franklin County, Mississippi, and further described as—

(A) the portion of the NW<sup>1</sup>/<sub>4</sub> NW<sup>1</sup>/<sub>4</sub> lying south of the south boundary of Berrytown Road;

(B) the portion of the W<sup>1</sup>/<sub>2</sub> NE<sup>1</sup>/<sub>4</sub> NW<sup>1</sup>/<sub>4</sub> lying south of the south boundary of Berrytown Road;

(C) the portion of the SW<sup>1</sup>/<sub>4</sub> NW<sup>1</sup>/<sub>4</sub> lying east of the east boundary of U.S. Highway 98;

(D) the W<sup>1</sup>/<sub>2</sub> SE<sup>1</sup>/<sub>4</sub> NW<sup>1</sup>/<sub>4</sub>;

(E) the portion of the NW<sup>1</sup>/<sub>4</sub> SW<sup>1</sup>/<sub>4</sub> lying east of the east boundary of U.S. Highway 98;

(F) the portion of the NE<sup>1</sup>/<sub>4</sub> SW<sup>1</sup>/<sub>4</sub> commencing at the southwest corner of the NE<sup>1</sup>/<sub>4</sub> SW<sup>1</sup>/<sub>4</sub>, said point being the point of beginning, thence running east 330 feet along the south boundary of the NE<sup>1</sup>/<sub>4</sub> SW<sup>1</sup>/<sub>4</sub> to a point in Lake Okhissa, thence running northeasterly to a point in Lake Okhissa on the east boundary of the NE<sup>1</sup>/<sub>4</sub> SW<sup>1</sup>/<sub>4</sub> 330 feet south of the northeast corner thereof, thence running north 330 feet along the east boundary of the NE<sup>1</sup>/<sub>4</sub> SW<sup>1</sup>/<sub>4</sub> to the northeast corner thereof, thence running west along the north boundary of the NE<sup>1</sup>/<sub>4</sub> SW<sup>1</sup>/<sub>4</sub> to the NW corner thereof; thence running south along the west boundary of the NE<sup>1</sup>/<sub>4</sub> SW<sup>1</sup>/<sub>4</sub> to the point of beginning; and

(G) the portion of the SE<sup>1</sup>/<sub>4</sub> SE<sup>1</sup>/<sub>4</sub> NW<sup>1</sup>/<sub>4</sub> commencing at the southeast corner of the SE<sup>1</sup>/<sub>4</sub> NW<sup>1</sup>/<sub>4</sub>, said point being the point of beginning, and running northwesterly to the northwest corner of the SE<sup>1</sup>/<sub>4</sub> SE<sup>1</sup>/<sub>4</sub> NW<sup>1</sup>/<sub>4</sub>, thence running south along the west boundary of the SE<sup>1</sup>/<sub>4</sub> SE<sup>1</sup>/<sub>4</sub> NW<sup>1</sup>/<sub>4</sub> to the southwest corner thereof, thence running east along the

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*south boundary of the SE<sup>1</sup>/<sub>4</sub> SE<sup>1</sup>/<sub>4</sub> NW<sup>1</sup>/<sub>4</sub> to the point of beginning.*

*(2) SURVEY.—The exact acreage and legal description of the National Forest System land to be conveyed under this section shall be determined by a survey satisfactory to the Secretary.*

*(d) CONSIDERATION.—*

*(1) IN GENERAL.—The consideration for the conveyance of any National Forest System land under this section shall be—*

*(A) provided in the form of cash; and*

*(B) in an amount equal to the fair market value of the National Forest System land being conveyed, as determined under paragraph (2).*

*(2) FAIR MARKET VALUE DETERMINATION.—The fair market value of the National Forest System land conveyed under this section shall be determined—*

*(A) in the case of a method of conveyance described in subsection (b), by an appraisal that is—*

*(i) conducted in accordance with the Uniform Appraisal Standards for Federal Land Acquisitions; and*

*(ii) approved by the Secretary; or*

*(B) in the case of a conveyance by a method other than a method described in subsection (b), by competitive sale.*

*(e) TERMS AND CONDITIONS.—The conveyance under this section shall be subject to—*

*(1) valid existing rights; and*

*(2) such other terms and conditions as the Secretary considers to be appropriate to protect the interests of the United States.*

*(f) PROCEEDS FROM SALE.—The Secretary shall deposit the proceeds of the conveyance of any National Forest System land under this section in the fund established under Public Law 90–171 (commonly known as the “Sisk Act”) (16 U.S.C. 484a).*

*(g) COSTS.—As a condition for the conveyance under this section, the Secretary shall require the Alliance to pay at closing—*

*(1) any reasonable appraisal costs; and*

*(2) the costs of any administrative or environmental analysis required by applicable law (including regulations).*

**SEC. 8632. REMOTE SENSING TECHNOLOGIES.**

*The Chief of the Forest Service shall—*

*(1) continue to find efficiencies in the operations of the forest inventory and analysis program under section 3(e) of the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1642(e)) through the improved use and integration of advanced remote sensing technologies to provide estimates for State- and national-level inventories, where appropriate; and*

*(2) partner with States and other interested stakeholders to carry out the program described in paragraph (1).*

**PART III—TIMBER INNOVATION**

**SEC. 8641. DEFINITIONS.**

*In this part:*

(1) *INNOVATIVE WOOD PRODUCT.*—The term “innovative wood product” means a type of building component or system that uses large panelized wood construction, including mass timber.

(2) *MASS TIMBER.*—The term “mass timber” includes—

- (A) cross-laminated timber;
- (B) nail laminated timber;
- (C) glue laminated timber;
- (D) laminated strand lumber; and
- (E) laminated veneer lumber.

(3) *SECRETARY.*—The term “Secretary” means the Secretary, acting through the Research and Development deputy area and the State and Private Forestry deputy area of the Forest Service.

(4) *TALL WOOD BUILDING.*—The term “tall wood building” means a building designed to be—

- (A) constructed with mass timber; and
- (B) more than 85 feet in height.

**SEC. 8642. CLARIFICATION OF RESEARCH AND DEVELOPMENT PROGRAM FOR WOOD BUILDING CONSTRUCTION.**

(a) *IN GENERAL.*—The Secretary shall conduct performance-driven research and development, education, and technical assistance for the purpose of facilitating the use of innovative wood products in wood building construction in the United States.

(b) *ACTIVITIES.*—In carrying out subsection (a), the Secretary shall—

(1) after receipt of input and guidance from, and collaboration with, the wood products industry, conservation organizations, and institutions of higher education, conduct research and development, education, and technical assistance at the Forest Products Laboratory or through the State and Private Forestry deputy area that meets measurable performance goals for the achievement of the priorities described in subsection (c); and

(2) after coordination and collaboration with the wood products industry and conservation organizations, make competitive grants to institutions of higher education to conduct research and development, education, and technical assistance that meets measurable performance goals for the achievement of the priorities described in subsection (c).

(c) *PRIORITIES.*—The research and development, education, and technical assistance conducted under subsection (a) shall give priority to—

(1) ways to improve the commercialization of innovative wood products;

(2) analyzing the safety of tall wood building materials;

(3) calculations by the Forest Products Laboratory of the lifecycle environmental footprint, from extraction of raw materials through the manufacturing process, of tall wood building construction;

(4) analyzing methods to reduce the lifecycle environmental footprint of tall wood building construction;

(5) analyzing the potential implications of the use of innovative wood products in building construction on wildlife; and



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(6) 1 or more other research areas identified by the Secretary, in consultation with conservation organizations, institutions of higher education, and the wood products industry.

(d) **TIMEFRAME.**—To the maximum extent practicable, the measurable performance goals for the research and development, education, and technical assistance conducted under subsection (a) shall be achievable within a 5-year timeframe.

**SEC. 8643. WOOD INNOVATION GRANT PROGRAM.**

(a) **DEFINITIONS.**—In this section:

(1) **ELIGIBLE ENTITY.**—The term “eligible entity” means—

(A) an individual;

(B) a public or private entity (including a center of excellence that consists of 1 or more partnerships between forestry, engineering, architecture, or business schools at 1 or more institutions of higher education); or

(C) a State, local, or Tribal government.

(2) **SECRETARY.**—The term “Secretary” means the Secretary, acting through the Chief of the Forest Service.

(b) **GRANT PROGRAM.**—

(1) **IN GENERAL.**—The Secretary, in carrying out the wood innovation grant program of the Secretary described in the notice of the Secretary entitled “Request for Proposals: 2016 Wood Innovations Funding Opportunity” (80 Fed. Reg. 63498 (October 20, 2015)), may make a wood innovation grant to 1 or more eligible entities each year for the purpose of advancing the use of innovative wood products.

(2) **PROPOSALS.**—To be eligible to receive a grant under this subsection, an eligible entity shall submit to the Secretary a proposal at such time, in such manner, and containing such information as the Secretary may require.

(c) **INCENTIVIZING USE OF EXISTING MILLING CAPACITY.**—In selecting among proposals of eligible entities under subsection (b)(2), the Secretary shall give priority to proposals that include the use or retrofitting (or both) of existing sawmill facilities located in counties in which the average annual unemployment rate exceeded the national average unemployment rate by more than 1 percent in the previous calendar year.

(d) **MATCHING REQUIREMENT.**—As a condition of receiving a grant under subsection (b), an eligible entity shall provide funds equal to the amount received by the eligible entity under the grant, to be derived from non-Federal sources.

**SEC. 8644. COMMUNITY WOOD ENERGY AND WOOD INNOVATION PROGRAM.**

Section 9013 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8113) is amended to read as follows:

**“SEC. 9013. COMMUNITY WOOD ENERGY AND WOOD INNOVATION PROGRAM.**

“(a) **DEFINITIONS.**—In this section:

“(1) **COMMUNITY WOOD ENERGY SYSTEM.**—

“(A) **IN GENERAL.**—The term ‘community wood energy system’ means an energy system that—

“(i) produces thermal energy or combined thermal energy and electricity where thermal is the primary energy output;



“(ii) services public facilities owned or operated by State or local governments (including schools, town halls, libraries, and other public buildings) or private or nonprofit facilities (including commercial and business facilities, such as hospitals, office buildings, apartment buildings, and manufacturing and industrial buildings); and

“(iii) uses woody biomass, including residuals—

“(I) that have not been adulterated with glue or other chemical treatments from wood processing facilities, as the primary fuel; and

“(II) for which the use of that biomass for energy production does not cause conversion of forests to nonforest use.

“(B) INCLUSIONS.—The term ‘community wood energy system’ includes single-facility central heating, district heating systems serving multiple buildings, combined heat and electric systems where thermal energy is the primary energy output, and other related biomass energy systems.

“(2) INNOVATIVE WOOD PRODUCT FACILITY.—The term ‘innovative wood product facility’ means a manufacturing or processing plant or mill that produces—

“(A) building components or systems that use large panelized wood construction, including mass timber;

“(B) wood products derived from nanotechnology or other new technology processes, as determined by the Secretary; or

“(C) other innovative wood products that use low-value, low-quality wood, as determined by the Secretary.

“(3) MASS TIMBER.—The term ‘mass timber’ includes—

“(A) cross-laminated timber;

“(B) nail-laminated timber;

“(C) glue-laminated timber;

“(D) laminated strand lumber; and

“(E) laminated veneer lumber.

“(4) PROGRAM.—The term ‘Program’ means the Community Wood Energy and Wood Innovation Program established under subsection (b).

“(b) COMPETITIVE GRANT PROGRAM.—The Secretary, acting through the Chief of the Forest Service, shall establish a competitive grant program to be known as the ‘Community Wood Energy and Wood Innovation Program’.

“(c) MATCHING GRANTS.—

“(1) IN GENERAL.—Under the Program, the Secretary shall make grants to cover not more than 35 percent of the capital cost for installing a community wood energy system or building an innovative wood product facility.

“(2) SPECIAL CIRCUMSTANCES.—The Secretary may establish special circumstances, such as in the case of a community wood energy system project or innovative wood product facility project involving a school or hospital in a low-income community, under which grants under the Program may cover up to 50 percent of the capital cost.

“(3) *SOURCE OF MATCHING FUNDS.*—*Matching funds required pursuant to this subsection from a grant recipient shall be derived from non-Federal funds.*

“(d) *PROJECT CAP.*—*The total amount of grants under the Program for a community wood energy system project or innovative wood product facility project may not exceed—*

“(1) *in the case of grants under the general authority provided under subsection (c)(1), \$1,000,000; and*

“(2) *in the case of grants for which the special circumstances apply under subsection (c)(2), \$1,500,000.*

“(e) *SELECTION CRITERIA.*—*In selecting applicants for grants under the Program, the Secretary shall consider the following:*

“(1) *The energy efficiency of the proposed community wood energy system or innovative wood product facility.*

“(2) *The cost effectiveness of the proposed community wood energy system or innovative wood product facility.*

“(3) *The extent to which the proposed community wood energy system or innovative wood product facility represents the best available commercial technology.*

“(4) *The extent to which the proposed community wood energy system uses the most stringent control technology that has been required or achieved in practice for a wood-fired boiler of similar size and type.*

“(5)(A) *The extent to which the proposed community wood energy system will displace conventional fossil fuel generation.*

“(B) *Whether the proposed community wood energy system minimizes emission increases to the greatest extent possible.*

“(6) *The extent to which the proposed community wood energy system will increase delivered thermal efficiency of the systems replaced.*

“(7) *The extent to which the applicant has demonstrated a high likelihood of project success by completing detailed engineering and design work in advance of the grant application.*

“(8) *Other technical, economic, conservation, and environmental criteria that the Secretary considers appropriate.*

“(f) *GRANT PRIORITIES.*—*In selecting applicants for grants under the Program, the Secretary shall give priority to proposals that use the most stringent control technology that has been required or achieved in practice for a wood-fired boiler and—*

“(1) *would be carried out in a location where markets are needed for the low-value, low-quality wood;*

“(2) *would be carried out in a location with limited access to natural gas pipelines;*

“(3) *would include the use or retrofitting (or both) of existing sawmill facilities located in a location where the average annual unemployment rate exceeded the national average unemployment rate by more than 1 percent during the previous calendar year; or*

“(4) *would be carried out in a location where the project will aid with forest restoration.*

“(g) *LIMITATIONS.*—

“(1) *CAPACITY OF COMMUNITY WOOD ENERGY SYSTEMS.*—*A community wood energy system acquired with grant funds under the Program shall not exceed nameplate capacity of 5*

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*megawatts of thermal energy or combined thermal and electric energy.*

*“(2) FUNDING FOR INNOVATIVE WOOD PRODUCT FACILITIES.—Not more than 25 percent of funds provided as grants under the Program for a fiscal year may go to applicants proposing innovative wood product facilities, unless the Secretary has received an insufficient number of qualified proposals for community wood energy systems.*

*“(h) FUNDING.—There is authorized to be appropriated to carry out the Program \$25,000,000 for each of fiscal years 2019 through 2023.”.*

### ***Subtitle G—Other Matters***

#### **SEC. 8701. RURAL REVITALIZATION TECHNOLOGIES.**

*Section 2371(d)(2) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 6601(d)(2)) is amended by striking “2018” and inserting “2023”.*

#### **SEC. 8702. RESOURCE ADVISORY COMMITTEES.**

*Section 205 of the Secure Rural Schools and Community Self-Determination Act of 2000 (16 U.S.C. 7125) is amended—*

*(1) in subsection (d)—*

*(A) in paragraph (1), by striking “Each” and inserting “Except as provided in paragraph (6), each”;*

*(B) in paragraph (2), in the matter preceding subparagraph (A), by striking “Committee” and inserting “Except as provided in paragraph (6), committee”;* and

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

*“(6) COMMITTEE COMPOSITION WAIVER AUTHORITY.—*

*“(A) NOTICE.—On notice from the applicable regional forester that an adequate number of qualified candidates are not interested or available to serve on a resource advisory committee, the Secretary concerned shall publish a notice in the Federal Register seeking candidates for the resource advisory committee.*

*“(B) MODIFICATION OF MEMBERSHIP REQUIREMENTS.—If, by the date that is 30 days after the date of publication of notice under subparagraph (A), an inadequate number of qualified candidates have applied to serve on a resource advisory committee, the Secretary concerned may reduce—*

*“(i) the membership requirement under paragraph (1) to not fewer than 9; and*

*“(ii) the membership requirements under subparagraphs (A), (B), and (C) of paragraph (2) to 3 in each category described in that paragraph, except that where a vacancy exists on a resource advisory committee, the Secretary concerned may not reject a qualified applicant from any category.*

*“(C) TERMINATION OF AUTHORITY.—The authority provided under this paragraph terminates on October 1, 2023.”; and*

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

*“(g) REGIONAL APPOINTMENT PILOT PROGRAM.—*

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“(1) *DEFINITION OF APPLICABLE DESIGNEE.*—In this subsection, the term ‘applicable designee’ means the applicable regional forester.

“(2) *PILOT PROGRAM.*—The Secretary concerned shall carry out a pilot program (referred to in this subsection as the ‘pilot program’) to allow an applicable designee to appoint members of resource advisory committees.

“(3) *GEOGRAPHIC LIMITATION.*—The pilot program shall only apply to resource advisory committees chartered in—

“(A) the State of Montana; and

“(B) the State of Arizona.

“(4) *RESPONSIBILITIES OF APPLICABLE DESIGNEE.*—

“(A) *REVIEW.*—Before appointing a member of a resource advisory committee under the pilot program, an applicable designee shall conduct the review and analysis that would otherwise be conducted for an appointment to a resource advisory committee if the pilot program was not in effect, including any review and analysis with respect to civil rights and budgetary requirements.

“(B) *SAVINGS CLAUSE.*—Nothing in this subsection relieves an applicable designee from any requirement developed by the Secretary concerned for making an appointment to a resource advisory committee that is in effect on the date of enactment of this subsection, including any requirement for advertising a vacancy.

“(5) *TERMINATION OF EFFECTIVENESS.*—The authority provided under this subsection terminates on October 1, 2023.

“(6) *REPORT TO CONGRESS.*—Not later than the date that is 180 days after the date described in paragraph (5), the Secretary concerned shall submit to Congress a report that includes—

“(A) with respect to appointments made under the pilot program compared to appointments to resource advisory committees not made under the pilot program, a description of the extent to which—

“(i) appointments were faster or slower; and

“(ii) the requirements described in paragraph (4) differ; and

“(B) a recommendation with respect to whether Congress should terminate, continue, modify, or expand the pilot program.”.

**SEC. 8703. TRIBAL FOREST MANAGEMENT DEMONSTRATION PROJECT.**

(a) *IN GENERAL.*—The Secretary of the Interior and the Secretary may carry out demonstration projects by which federally recognized Indian Tribes or Tribal organizations may contract to perform administrative, management, and other functions of programs of the Tribal Forest Protection Act of 2004 (25 U.S.C. 3115a et seq.) through contracts entered into under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304 et seq.).

(b) *REQUIREMENTS.*—With respect to any contract or project carried out under subsection (a)—

(1) on National Forest System land, the Secretary shall carry out all functions delegated to the Secretary of the Interior under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304 et seq.);

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(2) *the Secretary or the Secretary of the Interior, as applicable, shall make any decisions required to be made under—*

(A) *the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and*

(B) *the Tribal Forest Protection Act of 2004 (25 U.S.C. 3115a et seq.); and*

(3) *the contract or project shall be entered into under, and in accordance with, section 403(b)(2) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5363(b)(2)).*

**SEC. 8704. TECHNICAL CORRECTIONS.**

(a) **WILDFIRE SUPPRESSION FUNDING AND FOREST MANAGEMENT ACTIVITIES ACT.**—

(1) **IN GENERAL.**—*The Wildfire Suppression Funding and Forest Management Activities Act (Public Law 115–141) is amended—*

(A) *in section 102(a)(2), by striking “the date of enactment” and inserting “the date of the enactment”; and*

(B) *in section 401(a)(1), by inserting “of 2000” after “Self-Determination Act”.*

(2) **EFFECTIVE DATE.**—*The amendments made by paragraph (1) shall take effect as if enacted as part of the Wildfire Suppression Funding and Forest Management Activities Act (Public Law 115–141).*

(b) **AGRICULTURAL ACT OF 2014.**—*Section 8206(a) of the Agricultural Act of 2014 (16 U.S.C. 2113a(a)) (as amended by section 8624(b)) is amended—*

(1) *in paragraph (4)(B)(i)(II), by striking “Good Neighbor Authority Improvement Act” and inserting “Wildfire Suppression Funding and Forest Management Activities Act”; and*

(2) *in paragraph (8), by striking “Good Neighbor Authority Improvement Act” and inserting “Wildfire Suppression Funding and Forest Management Activities Act”.*

**SEC. 8705. STREAMLINING THE FOREST SERVICE PROCESS FOR CONSIDERATION OF COMMUNICATIONS FACILITY LOCATION APPLICATIONS.**

(a) **DEFINITIONS.**—*In this section:*

(1) **COMMUNICATIONS FACILITY.**—*The term “communications facility” includes—*

(A) *any infrastructure, including any transmitting device, tower, or support structure, and any equipment, switches, wiring, cabling, power sources, shelters, or cabinets, associated with the licensed or permitted unlicensed wireless or wireline transmission of writings, signs, signals, data, images, pictures, and sounds of all kinds; and*

(B) *any antenna or apparatus that—*

(i) *is designed for the purpose of emitting radio frequency;*

(ii) *is designed to be operated, or is operating, from a fixed location pursuant to authorization by the Federal Communications Commission or is using duly authorized devices that do not require individual licenses; and*

(iii) *is added to a tower, building, or other structure.*



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(2) *COMMUNICATIONS SITE.*—The term “communications site” means an area of covered land designated for communications uses.

(3) *COMMUNICATIONS USE.*—The term “communications use” means the placement and operation of a communications facility.

(4) *COMMUNICATIONS USE AUTHORIZATION.*—The term “communications use authorization” means an easement, right-of-way, lease, license, or other authorization to locate or modify a communications facility on covered land by the Forest Service for the primary purpose of authorizing the occupancy and use of the covered land for communications use.

(5) *COVERED LAND.*—The term “covered land” means National Forest System land.

(6) *FOREST SERVICE.*—The term “Forest Service” means the United States Forest Service of the Department of Agriculture.

(7) *ORGANIZATIONAL UNIT.*—The term “organizational unit” means, within the Forest Service—

- (A) a regional office;
- (B) the headquarters;
- (C) a management unit; or
- (D) a ranger district office.

(b) *REGULATIONS.*—Notwithstanding section 6409 of the Middle Class Tax Relief and Job Creation Act of 2012 (47 U.S.C. 1455) or section 606 of the Repack Airwaves Yielding Better Access for Users of Modern Services Act of 2018 (Public Law 115–141), not later than 1 year after the date of enactment of this Act, the Secretary shall issue regulations—

(1) to streamline the process for considering applications to locate or modify communications facilities on covered land;

(2) to ensure, to the maximum extent practicable, that the process is uniform and standardized across the organizational units of the Forest Service; and

(3) to require that the applications described in paragraph (1) be considered and granted on a competitively neutral, technology neutral, and non-discriminatory basis.

(c) *REQUIREMENTS.*—The regulations issued under subsection (b) shall include the following:

(1) Procedures for the tracking of applications described in subsection (b)(1), including—

- (A) identifying the number of applications—
  - (i) received;
  - (ii) approved; and
  - (iii) denied;

(B) in the case of an application that is denied, describing the reasons for the denial; and

(C) describing the amount of time between the receipt of an application and the issuance of a final decision on an application.

(2) Provision for minimum lease terms of not less than 15 years for leases with respect to the location of communications facilities on covered land.

(3) A structure of fees for—



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(A) submitting an application described in subsection (b)(1), based on the cost to the Forest Service of considering such an application; and

(B) issuing communications use authorizations, based on the cost to the Forest Service of any maintenance or other activities required to be performed by the Forest Service as a result of the location or modification of the communications facility.

(4) Provision for prioritization or streamlining of the consideration of applications to locate or modify communications facilities on covered land in a previously disturbed right-of-way.

(d) **ADDITIONAL CONSIDERATIONS.**—In issuing regulations under subsection (b), the Secretary shall consider—

(1) how discrete reviews in considering an application described in subsection (b)(1) can be conducted simultaneously, rather than sequentially, by any organizational units of the Forest Service that must approve the location or modification; and

(2) how to eliminate overlapping requirements among the organizational units of the Forest Service with respect to the location or modification of a communications facility on covered land administered by those organizational units.

(e) **COMMUNICATION OF STREAMLINED PROCESS TO ORGANIZATIONAL UNITS.**—The Secretary shall, with respect to the regulations issued under subsection (b)—

(1) communicate the regulations to the organizational units of the Forest Service; and

(2) ensure that the organizational units of the Forest Service follow the regulations.

(f) **DEPOSIT AND AVAILABILITY OF FEES.**—

(1) **SPECIAL ACCOUNT.**—The Secretary of the Treasury shall establish a special account in the Treasury for the Forest Service for the deposit of fees collected by the Forest Service under subsection (c)(3) for communications use authorizations on covered land granted, issued, or executed by the Forest Service.

(2) **REQUIREMENTS FOR FEES COLLECTED.**—Fees collected by the Forest Service under subsection (c)(3) shall be—

(A) based on the costs described in subsection (c)(3); and

(B) competitively neutral, technology neutral, and non-discriminatory with respect to other users of the communications site.

(3) **DEPOSIT OF FEES.**—Fees collected by the Forest Service under subsection (c)(3) shall be deposited in the special account established for the Forest Service under paragraph (1).

(4) **AVAILABILITY OF FEES.**—Amounts deposited in the special account for the Forest Service shall be available, to the extent and in such amounts as are provided in advance in appropriation Acts, to the Secretary to cover costs incurred by the Forest Service described in subsection (c)(3), including the following:

(A) Preparing needs assessments or other programmatic analyses necessary to designate communications sites and issue communications use authorizations.

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(B) Developing management plans for communications sites.

(C) Training for management of communications sites.

(D) Obtaining or improving access to communications sites.

(5) *NO ADDITIONAL APPROPRIATIONS AUTHORIZED.*—Except as provided in paragraph (4), no other amounts are authorized to be appropriated to carry out this section.

(g) *SAVINGS PROVISIONS.*—

(1) *REAL PROPERTY AUTHORITIES.*—Nothing in this section, or the amendments made by this section, shall be construed as providing any executive agency with any new leasing or other real property authorities not existing prior to the date of enactment of this Act.

(2) *EFFECT ON OTHER LAWS.*—Nothing in this section, or the amendments made by this section, and no actions taken pursuant to this section, or the amendments made by this section, shall impact a decision or determination by any executive agency to sell, dispose of, declare excess or surplus, lease, reuse, or redevelop any Federal real property pursuant to title 40, United States Code, the Federal Assets Sale and Transfer Act of 2016 (40 U.S.C. 1303 note; Public Law 114–287), or any other law governing real property activities of the Federal Government. No agreement entered into pursuant to this section, or the amendments made by this section, may obligate the Federal Government to hold, control, or otherwise retain or use real property that may otherwise be deemed as excess, surplus, or that could otherwise be sold, leased, or redeveloped.

**SEC. 8706. REPORT ON WILDFIRE, INSECT INFESTATION, AND DISEASE PREVENTION ON FEDERAL LAND.**

Not later than 180 days after the date of the enactment of this Act and every year thereafter, the Secretary and the Secretary of Interior shall submit to the Committee on Agriculture of the House of Representatives, the Committee on Natural Resources of the House of Representatives, the Committee on Agriculture, Nutrition, and Forestry of the Senate, and the Committee on Energy and Natural Resources of the Senate a jointly written report on—

(1) the number of acres of Federal land treated by the Secretary or the Secretary of the Interior for wildfire, insect infestation, or disease prevention;

(2) the number of acres of Federal land categorized as a high or extreme fire risk;

(3) the total timber production from Federal land;

(4) the number of acres and average fire intensity of wildfires affecting Federal land treated for wildfire, insect infestation, or disease prevention;

(5) the number of acres and average fire intensity of wildfires affecting Federal land not treated for wildfire, insect infestation, or disease prevention;

(6) the Federal response time for each fire on greater than 25,000 acres;

(7) the number of miles of roads and trails on Federal land in need of maintenance;

(8) the number of miles of roads on Federal land in need of decommissioning;

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(9) *the maintenance backlog, as of the date of the report, for roads, trails, and recreational facilities on Federal land;*

(10) *other measures needed to maintain, improve, or restore water quality on Federal land; and*

(11) *other measures needed to improve ecosystem function or resiliency on Federal land.*

**SEC. 8707. WEST FORK FIRE STATION.**

(a) **DEFINITIONS.**—*In this section:*

(1) **COUNTY.**—*The term “County” means Dolores County, Colorado.*

(2) **WEST FORK FIRE STATION CONVEYANCE PARCEL.**—*The term “West Fork Fire Station Conveyance Parcel” means the parcel of approximately 3.61 acres of National Forest System land in the County, as depicted on the map entitled “Map for West Fork Fire Station Conveyance Parcel” and dated November 21, 2017.*

(b) **CONVEYANCE OF WEST FORK FIRE STATION CONVEYANCE PARCEL, DOLORES COUNTY, COLORADO.**—

(1) **IN GENERAL.**—*On receipt of a request from the County and subject to such terms and conditions as are mutually satisfactory to the Secretary and the County, including such additional terms as the Secretary determines to be necessary, the Secretary shall convey to the County without consideration all right, title, and interest of the United States in and to the West Fork Fire Station Conveyance Parcel.*

(2) **COSTS.**—*Any costs relating to the conveyance under paragraph (1), including processing and transaction costs, shall be paid by the County.*

(3) **USE OF LAND.**—*The land conveyed to the County under paragraph (1) shall be used by the County only for a fire station, related infrastructure, and roads to facilitate access to and through the West Fork Fire Station Conveyance Parcel.*

(4) **REVERSION.**—*If any portion of the land conveyed under paragraph (1) is used in a manner that is inconsistent with the use described in paragraph (3), the land shall, at the discretion of the Secretary, revert to the United States.*

**SEC. 8708. COMPETITIVE FORESTRY, NATURAL RESOURCES, AND ENVIRONMENTAL GRANTS PROGRAM.**

*Section 1232 of the Food, Agriculture, Conservation, and Trade Act of 1990 (16 U.S.C. 582a–8) is amended—*

(1) *in subsection (a) by inserting “or forest restoration” after “research”; and*

(2) *by amending subsection (c) to read as follows:*

“(c) **PRIORITIES.**—

“(1) **RESEARCH.**—*In awarding the initial grants under subsection (a) the Secretary shall give priority to applicants who will use such grants for research concerning—*

“(A) *the biology of forest organisms, including physiology, genetic mechanisms, and biotechnology;*

“(B) *ecosystem function and management, including forest ecosystem research, biodiversity, forest productivity, pest management, water resources, and alternative silvicultural systems;*

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*“(C) wood as a raw material, including forest products and harvesting;*

*“(D) human forest interactions, including outdoor recreation, public policy formulation, economics, sociology, and administrative behavior;*

*“(E) international trade, competition, and cooperation related to forest products;*

*“(F) alternative native crops, products, and services that can be produced from renewable natural resources associated with privately held forest lands;*

*“(G) viable economic production and marketing systems for alternative natural resource products and services;*

*“(H) economic and environmental benefits of various conservation practices on forest lands;*

*“(I) genetic tree improvement; and*

*“(J) market expansion.*

*“(2) FOREST RESTORATION.—Grants may be used to support programs that restore forest tree species native to American forests that may have suffered severe levels of mortality caused by non-native insects, plant pathogens, or others pests.*

*“(A) REQUIRED COMPONENT OF FOREST RESTORATION STRATEGY.—To receive a grant under this subsection, an eligible institution shall demonstrate that it offers a program with a forest restoration strategy that incorporates not less than one of the following components:*

*“(i) Collection and conservation of native tree genetic material.*

*“(ii) Production of propagules of native trees in numbers large enough for landscape scale restoration.*

*“(iii) Site preparation of former of native tree habitat.*

*“(iv) Planting of native tree seedlings.*

*“(v) Post-planting maintenance of native trees.*

*“(B) AWARD OF GRANTS.—The Secretary shall award competitive grants under this subsection based on the degree to which the applicant addresses the following criteria:*

*“(i) Risk posed to the forests of that State by non-native pests, as measured by such factors as the number of such pests present in the State.*

*“(ii) The proportion of the State’s forest composed of species vulnerable to non-native pests present in the United States.*

*“(iii) The pests’ rate of spread via natural or human-assisted means.”.*

## **TITLE IX—ENERGY**

### **SEC. 9001. DEFINITIONS.**

*Section 9001 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8101) is amended—*

*(1) in paragraph (4)(A), by striking “agricultural materials” and inserting “agricultural materials, renewable chemicals,”;*

*(2) in paragraph (7)(A), by striking “into biofuels and biobased products; and” and inserting the following: “or an in-*

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*termediate ingredient or feedstock of renewable biomass into any 1 or more, or a combination, of—*

- “(i) biofuels;*
- “(ii) renewable chemicals; or*
- “(iii) biobased products; and”;* and

*(3) in paragraph (16)—*

*(A) in subparagraph (A)—*

*(i) in the matter preceding clause (i), by striking “(B)” and inserting “(C)”;* and

*(ii) by striking “that—” in the matter preceding clause (i) and all that follows through the period at the end of clause (ii) and inserting “that produces usable energy from a renewable energy source.”;*

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

*(C) by inserting after subparagraph (A) the following:*

*“(B) INCLUSIONS.—The term ‘renewable energy system’ includes—*

*“(i) distribution components necessary to move energy produced by a system described in subparagraph (A) to the initial point of sale; and*

*“(ii) other components and ancillary infrastructure of a system described in subparagraph (A), such as a storage system.”.*

**SEC. 9002. BIOBASED MARKETS PROGRAM.**

*Section 9002 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8102) is amended—*

*(1) in subsection (b)(2)(A), by adding at the end the following:*

*“(iii) RENEWABLE CHEMICALS.—Not later than 180 days after the date of enactment of this clause, the Secretary shall update the criteria issued under clause (i) to provide criteria for determining which renewable chemicals may qualify to receive the label under paragraph (1).”;*

*(2) by amending subsection (f) to read as follows:*

*“(f) MANUFACTURERS OF RENEWABLE CHEMICALS AND BIOBASED PRODUCTS.—*

*“(1) NAICS CODES.—The Secretary and the Secretary of Commerce shall jointly develop North American Industry Classification System codes for—*

*“(A) renewable chemicals manufacturers; and*

*“(B) biobased products manufacturers.*

*“(2) NATIONAL TESTING CENTER REGISTRY.—The Secretary shall establish a national registry of testing centers for biobased products that will serve biobased product manufacturers.”;*

*(3) by redesignating subsections (h) through (j) as subsections (j) through (l), respectively;*

*(4) by inserting after subsection (g) the following:*

*“(h) STREAMLINING.—*

*“(1) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, the Secretary shall establish guidelines for an integrated process under which biobased products may be, in 1 expedited approval process—*



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“(A) determined to be eligible for a Federal procurement preference under subsection (a); and

“(B) approved to use the ‘USDA Certified Biobased Product’ label under subsection (b).

“(2) INITIATION.—The Secretary shall ensure that a review of a biobased product under the integrated qualification process established pursuant to paragraph (1) may be initiated on receipt of a recommendation or petition from a manufacturer, vendor, or other interested party.

“(3) PRODUCT DESIGNATIONS.—The Secretary may issue a product designation pursuant to subsection (a)(3)(B), or approve the use of the ‘USDA Certified Biobased Product’ label under subsection (b), through streamlined procedures, which shall not be subject to chapter 7 of title 5, United States Code.

“(i) REQUIREMENT OF PROCURING AGENCIES.—A procuring agency (as defined in subsection (a)(1)) shall not establish regulations, guidance, or criteria regarding the procurement of biobased products, pursuant to this section or any other law, that impose limitations on that procurement that are more restrictive than the limitations established by the Secretary under the regulations to implement this section.”;

(5) in subsection (k) (as so redesignated)—

(A) in paragraph (1), by striking “2018” and inserting “2023”; and

(B) in paragraph (2), by striking “\$2,000,000 for each of fiscal years 2014 through 2018” and inserting “\$3,000,000 for each of fiscal years 2019 through 2023”; and

(6) by adding at the end the following:

“(m) RURAL DEVELOPMENT MISSION AREA.—In carrying out this section, except as provided in subsection (g), the Secretary shall act through the rural development mission area.”.

**SEC. 9003. BIOREFINERY ASSISTANCE.**

Section 9003 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8103) is amended—

(1) in subsection (b)(3)—

(A) in subparagraph (A), by striking “produces an advanced biofuel; and” and inserting the following: “produces any 1 or more, or a combination, of—

“(i) an advanced biofuel;

“(ii) a renewable chemical; or

“(iii) a biobased product; and”;

(B) in subparagraph (B), by striking “produces an advanced biofuel.” and inserting the following: “produces any 1 or more, or a combination, of—

“(i) an advanced biofuel;

“(ii) a renewable chemical; or

“(iii) a biobased product.”;

(2) in subsection (g)—

(A) in paragraph (1)(A)—

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

(ii) in clause (ii), by striking the period at the end and inserting a semicolon; and

(iii) by adding at the end the following:

“(iii) \$50,000,000 for fiscal year 2019; and



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“(iv) \$25,000,000 for fiscal year 2020.”; and  
 (B) in paragraph (2), by striking “2018” and inserting  
 “2023”.

**SEC. 9004. REPOWERING ASSISTANCE PROGRAM.**

Section 9004 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8104) is repealed.

**SEC. 9005. BIOENERGY PROGRAM FOR ADVANCED BIOFUELS.**

Section 9005 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8105) is amended—

(1) in subsection (e)—

(A) by striking “The Secretary may” and inserting the following new paragraph:

“(1) AMOUNT.—The Secretary shall”; and

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

“(2) FEEDSTOCK.—The total amount of payments made in a fiscal year under this section to one or more eligible producers for the production of advanced biofuels derived from a single eligible commodity, including intermediate ingredients of that single commodity or use of that single commodity and its intermediate ingredients in combination with another commodity, shall not exceed one-third of the total amount of funds made available under subsection (g).”; and

(2) in subsection (g)—

(A) in paragraph (1)—

(i) in subparagraph (D), by striking “and” at the end;

(ii) in subparagraph (E), by striking the period at the end and inserting “; and”; and

(iii) by adding at the end the following:

“(F) \$7,000,000 for each of fiscal years 2019 through 2023.”; and

(B) in paragraph (2), by striking “2014 through 2018” and inserting “2019 through 2023”.

**SEC. 9006. BIODIESEL FUEL EDUCATION PROGRAM.**

Section 9006(d) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8106(d)) is amended to read as follows:

“(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$2,000,000 for each of fiscal years 2019 through 2023.”.

**SEC. 9007. RURAL ENERGY FOR AMERICA PROGRAM.**

Section 9007 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107) is amended—

(1) in subsection (c)—

(A) by amending paragraph (1) to read as follows:

“(1) IN GENERAL.—

“(A) ASSISTANCE.—In addition to any similar authority, the Secretary shall provide—

“(i) loan guarantees and grants to agricultural producers and rural small businesses—

“(I) to purchase renewable energy systems, including systems that may be used to produce and sell electricity; and

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“(II) to make energy efficiency improvements;  
and  
“(ii) loan guarantees to agricultural producers to purchase and install energy efficient equipment or systems for agricultural production or processing that exceed—

“(I) energy efficiency building codes, if applicable;

“(II) Federal or State energy efficiency standards, if applicable; and

“(III) other energy efficiency standards determined appropriate by the Secretary.

“(B) LIMITATIONS.—With respect to loan guarantees under subparagraph (A)(ii)—

“(i) if no codes or standards described in such subparagraph apply to the energy efficient equipment or system to be purchased or installed pursuant to such subparagraph, the Secretary shall require, to the maximum extent practicable, such equipment or system to meet the same efficiency measurements as the most efficient available equipment or system in the market; and

“(ii) the Secretary shall not provide such a loan guarantee for the purchase or installation of any energy efficient equipment or system unless more than one type of such equipment or system is available in the market.”; and

(B) in paragraph (3), by adding at the end the following:

“(D) LOAN GUARANTEES FOR ENERGY EFFICIENT EQUIPMENT TO AGRICULTURAL PRODUCERS.—Using funds made available under paragraphs (1) and (3) of subsection (f), in each fiscal year the Secretary may use for loan guarantees under paragraph (1)(A)(ii) an amount that does not exceed 15 percent of such funds.”;

(2) in subsection (e), by striking “subsection (g)” each place it appears and inserting “subsection (f)”;

(3) by striking subsection (f) and redesignating subsection (g) as subsection (f); and

(4) in subsection (f)(3) (as so redesignated), by striking “2014 through 2018” and inserting “2019 through 2023”.

**SEC. 9008. RURAL ENERGY SELF-SUFFICIENCY INITIATIVE.**

Section 9009 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8109) is repealed.

**SEC. 9009. FEEDSTOCK FLEXIBILITY.**

Section 9010(b) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8110(b)) is amended—

(1) in paragraph (1)(A), by striking “2018” and inserting “2023”; and

(2) in paragraph (2)(A), by striking “2018” and inserting “2023”.

**SEC. 9010. BIOMASS CROP ASSISTANCE PROGRAM.**

Section 9011 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8111) is amended—

(1) in subsection (a)(6)—

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(A) in subparagraph (B)—  
 (i) in clause (ii)(II), by striking “and” at the end;  
 (ii) in clause (iii), by striking the period at the end  
 and inserting “; and”; and  
 (iii) by adding at the end the following:  
 “(iv) algae.”; and

(B) in subparagraph (C)—  
 (i) by striking clause (iv); and  
 (ii) by redesignating clauses (v) through (vii) as  
 clauses (iv) through (vi), respectively; and

(2) in subsection (f)—

(A) by amending paragraph (1) to read as follows:

“(1) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out this section \$25,000,000 for each of fiscal years 2019 through 2023.”; and

(B) by amending paragraph (3) to read as follows:

“(3) **TECHNICAL ASSISTANCE.**—Effective for fiscal year 2014 and each subsequent fiscal year, funds made available under this subsection shall be available for the provision of technical assistance with respect to activities authorized under this section.”.

**SEC. 9011. CARBON UTILIZATION AND BIOGAS EDUCATION PROGRAM.**

Title IX of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8101 et seq.) is amended by adding at the end the following:

**“SEC. 9014. CARBON UTILIZATION AND BIOGAS EDUCATION PROGRAM.**

“(a) **DEFINITIONS.**—In this section:

“(1) **CARBON DIOXIDE.**—The term ‘carbon dioxide’ means carbon dioxide that is produced as a byproduct of the production of a biobased product.

“(2) **ELIGIBLE ENTITY.**—The term ‘eligible entity’ means an entity that—

“(A) is—

“(i) an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of that Code; or

“(ii) an institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)));

“(B) has demonstrated knowledge about—

“(i) sequestration and utilization of carbon dioxide;

or

“(ii) aggregation of organic waste from multiple sources into a single biogas system; and

“(C) has a demonstrated ability to conduct educational and technical support programs.

“(b) **ESTABLISHMENT.**—The Secretary, in consultation with the Secretary of Energy, shall make competitive grants to eligible entities—

“(1) to provide education to the public about the economic and emissions benefits of permanent sequestration or utilization of carbon dioxide with a primary objective of providing benefits and opportunities for rural businesses, rural communities, and utilities serving rural communities; or

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“(2) to provide education to agricultural producers and other stakeholders about opportunities for aggregation of organic waste from multiple sources into a single biogas system.  
 “(c) FUNDING.—There are authorized to be appropriated for each of fiscal years 2019 through 2023—  
 “(1) \$1,000,000 to carry out subsection (b)(1); and  
 “(2) \$1,000,000 to carry out subsection (b)(2).”.

## **TITLE X—HORTICULTURE**

### **SEC. 10101. SPECIALTY CROPS MARKET NEWS ALLOCATION.**

Section 10107(b) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 1622b(b)) is amended by striking “2018” and inserting “2023”.

### **SEC. 10102. LOCAL AGRICULTURE MARKET PROGRAM.**

(a) PURPOSE.—The purpose of this section is to combine the purposes and coordinate the functions, as in effect on the day before the date of enactment of this Act, of—

(1) the Farmers’ Market and Local Food Promotion Program established under section 6 of the Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3005); and

(2) the value-added agricultural product market development grants under section 231(b) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1632a(b)).

(b) LOCAL AGRICULTURE MARKET PROGRAM.—Subtitle A of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621 et seq.) is amended by adding at the end the following:

#### **“SEC. 210A. LOCAL AGRICULTURE MARKET PROGRAM.**

“(a) DEFINITIONS.—In this section:

“(1) BEGINNING FARMER OR RANCHER.—The term ‘beginning farmer or rancher’ has the meaning given the term in section 343(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)).

“(2) DIRECT PRODUCER-TO-CONSUMER MARKETING.—The term ‘direct producer-to-consumer marketing’ has the meaning given the term ‘direct marketing from farmers to consumers’ in section 3 of the Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3002).

“(3) FAMILY FARM.—The term ‘family farm’ has the meaning given the term in section 231(a) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1632a(a)).

“(4) FOOD COUNCIL.—The term ‘food council’ means a food policy council or food and farm system network, as determined by the Secretary, that—

“(A) represents—

“(i) multiple organizations involved in the production, processing, and consumption of food; and

“(ii) local, Tribal, or State governments; and

“(B) addresses food and farm-related issues and needs within city, county, State, Tribal region, multicounty region, or other region designated by the food council or food system network.

“(5) MAJORITY-CONTROLLED PRODUCER-BASED BUSINESS VENTURE.—

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“(A) *IN GENERAL.*—The term ‘majority-controlled producer-based business venture’ means a venture greater than 50 percent of the ownership and control of which is held by—

“(i) 1 or more producers; or

“(ii) 1 or more entities, 100 percent of the ownership and control of which is held by 1 or more producers.

“(B) *ENTITY DESCRIBED.*—For purposes of subparagraph (A), the term ‘entity’ means—

“(i) a partnership;

“(ii) a limited liability corporation;

“(iii) a limited liability partnership; and

“(iv) a corporation.

“(6) *MID-TIER VALUE CHAIN.*—The term ‘mid-tier value chain’ means a local or regional supply network that links independent producers with businesses and cooperatives that market value-added agricultural products in a manner that—

“(A) targets and strengthens the profitability and competitiveness of small and medium-sized farms and ranches that are structured as a family farm; and

“(B) obtains agreement from an eligible agricultural producer group, farmer or rancher cooperative, or majority-controlled producer-based business venture that is engaged in the value chain on a marketing strategy.

“(7) *PARTNERSHIP.*—The term ‘partnership’ means a partnership entered into under an agreement between—

“(A) 1 or more eligible partners (as defined in subsection (e)(1)); and

“(B) 1 or more eligible entities (as defined in subsection (e)(1)).

“(8) *PROGRAM.*—The term ‘Program’ means the Local Agriculture Market Program established under subsection (b).

“(9) *REGIONAL FOOD CHAIN COORDINATION.*—The term ‘regional food chain coordination’ means coordination and collaboration along the supply chain to increase connections between producers and markets.

“(10) *SECRETARY.*—The term ‘Secretary’ means the Secretary of Agriculture.

“(11) *SOCIALLY DISADVANTAGED FARMER OR RANCHER.*—The term ‘socially disadvantaged farmer or rancher’ has the meaning given the term in section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e)).

“(12) *VALUE-ADDED AGRICULTURAL PRODUCT.*—The term ‘value-added agricultural product’ means any agricultural commodity or product that—

“(A)(i) has undergone a change in physical state;

“(ii) was produced in a manner that enhances the value of the agricultural commodity or product, as demonstrated through a business plan that shows the enhanced value, as determined by the Secretary;

“(iii) is physically segregated in a manner that results in the enhancement of the value of the agricultural commodity or product;



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“(iv) is a source of farm- or ranch-based renewable energy, including E-85 fuel; or

“(v) is aggregated and marketed as a locally produced agricultural food product; and

“(B) as a result of the change in physical state or the manner in which the agricultural commodity or product was produced, marketed, or segregated—

“(i) the customer base for the agricultural commodity or product is expanded; and

“(ii) a greater portion of the revenue derived from the marketing, processing, or physical segregation of the agricultural commodity or product is available to the producer of the commodity or product.

“(13) VETERAN FARMER OR RANCHER.—The term ‘veteran farmer or rancher’ has the meaning given the term in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)).

“(b) ESTABLISHMENT AND PURPOSE.—The Secretary shall establish a program, to be known as the ‘Local Agriculture Market Program’, that—

“(1) supports the development, coordination, and expansion of—

“(A) direct producer-to-consumer marketing;

“(B) local and regional food markets and enterprises;

and

“(C) value-added agricultural products;

“(2) connects and cultivates regional food economies through public-private partnerships;

“(3) supports the development of business plans, feasibility studies, and strategies for value-added agricultural production and local and regional food system infrastructure;

“(4) strengthens capacity and regional food system development through community collaboration and expansion of mid-tier value chains;

“(5) improves income and economic opportunities for producers and food businesses through job creation; and

“(6) simplifies the application processes and the reporting processes for the Program.

“(c) ADMINISTRATION.—In administering the Program, the Secretary shall—

“(1) streamline the Program to better support the activities carried out by the recipient of a grant under the Program;

“(2) connect producers with local food markets and value-added agricultural product opportunities;

“(3) partner with cooperative extension services, as appropriate, to provide Program technical assistance and outreach to Program stakeholders; and

“(4) ensure that the Rural Business-Cooperative Service and Agricultural Marketing Service provide Program technical assistance and outreach to Program stakeholders.

“(d) GRANTS.—

“(1) IN GENERAL.—Under the Program, the Secretary may, using funds made available under subsection (i), provide grants for each of fiscal years 2019 through 2023, in accordance with



*the purposes of the Program described in subsection (b), for the conduct of activities described in paragraph (2).*

*“(2) ELIGIBLE ACTIVITIES.—The recipient of a grant may use a grant provided under paragraph (1)—*

*“(A) to support and promote—*

*“(i) domestic direct producer-to-consumer marketing;*

*“(ii) farmers’ markets;*

*“(iii) roadside stands;*

*“(iv) agritourism activities,*

*“(v) community-supported agriculture programs; or*

*“(vi) online sales;*

*“(B) to support local and regional food business enterprises that engage as intermediaries in indirect producer-to-consumer marketing;*

*“(C) to support the processing, aggregation, distribution, and storage of—*

*“(i) local and regional food products that are marketed locally or regionally; and*

*“(ii) value-added agricultural products;*

*“(D) to encourage the development of value-added agricultural products;*

*“(E) to assist with business development plans and feasibility studies;*

*“(F) to develop marketing strategies for producers of local food products and value-added agricultural products in new and existing markets;*

*“(G) to facilitate regional food chain coordination and mid-tier value chain development;*

*“(H) to promote new business opportunities and marketing strategies to reduce on-farm food waste;*

*“(I) to respond to changing technology needs in direct producer-to-consumer marketing; or*

*“(J) to cover expenses relating to costs incurred in—*

*“(i) obtaining food safety certification; and*

*“(ii) making changes and upgrades to practices and equipment to improve food safety.*

*“(3) CRITERIA AND GUIDELINES.—*

*“(A) IN GENERAL.—The Secretary shall establish criteria and guidelines for the submission, evaluation, and funding of proposed projects under paragraph (1) as the Secretary determines are appropriate.*

*“(B) PRODUCER OR FOOD BUSINESS BENEFITS.—*

*“(i) IN GENERAL.—Except as provided in clause (ii), an application submitted for a grant under paragraph (1) shall include a description of the direct or indirect producer or food business benefits intended by the applicant to result from the proposed project within a reasonable period of time after the receipt of the grant.*

*“(ii) EXCEPTION.—Clause (i) shall not apply to a planning or feasibility project.*

*“(4) AMOUNT.—Unless otherwise determined by the Secretary, the amount of a grant under this subsection shall be not more than \$500,000.*

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*“(5) VALUE-ADDED PRODUCER GRANTS.—In the case of a grant provided under paragraph (1) to an eligible entity described in subparagraph (B), the following shall apply:*

*“(A) ADMINISTRATION.—The Secretary shall carry out this subsection through the Administrator of the Rural Business-Cooperative Service, in coordination with the Administrator of the Agricultural Marketing Service.*

*“(B) ELIGIBLE ENTITIES.—An entity shall be eligible for a grant under this paragraph if the entity is—*

*“(i) an independent producer (as determined by the Secretary) of a value-added agricultural product; or*

*“(ii) an agricultural producer group, farmer or rancher cooperative, or majority-controlled producer-based business venture (as determined by the Secretary).*

*“(C) PRIORITIES.—The Secretary shall give priority to applications—*

*“(i) in the case of an application submitted by a producer, that are submitted by, or serve—*

*“(I) beginning farmers or ranchers;*

*“(II) socially disadvantaged farmers or ranchers;*

*“(III) operators of small or medium sized farms or ranches that are structured as family farms; or*

*“(IV) veteran farmers or ranchers; and*

*“(ii) in the case of an application submitted by an eligible entity described in subparagraph (B)(ii), that provide the greatest contribution to creating or increasing marketing opportunities for producers described in subclauses (I) through (IV) of clause (i).*

*“(D) LIMITATION ON USE OF FUNDS.—*

*“(i) IN GENERAL.—Except as provided in clause (ii), an eligible entity described in subparagraph (B) may not use a grant for the purchase or construction of a building, general purpose equipment, or structure.*

*“(ii) EXCEPTION.—An eligible entity described in subparagraph (B) may use not more than \$6,500 of the amount of a grant for an eligible activity described in paragraph (2)(J) to purchase or upgrade equipment to improve food safety.*

*“(E) MATCHING FUNDS.—An eligible entity described in subparagraph (B) receiving a grant shall contribute an amount of non-Federal funds that is at least equal to the amount of Federal funds received.*

*“(6) FARMERS’ MARKETS AND LOCAL FOOD PROMOTION PROGRAM.—In the case of a grant provided under paragraph (1) to an eligible entity described in subparagraph (B), the following shall apply:*

*“(A) ADMINISTRATION.—The Secretary shall carry out this subsection through the Administrator of the Agricultural Marketing Service, in coordination with the Administrator of the Rural Business-Cooperative Service.*

*“(B) ELIGIBLE ENTITIES.—An entity shall be eligible to receive a grant under this paragraph if the entity is—*

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“(i) an agricultural cooperative or other agricultural business entity or a producer network or association, including a community-supported agriculture network or association;

“(ii) a local or Tribal government;

“(iii) a nonprofit corporation;

“(iv) a public benefit corporation;

“(v) an economic development corporation;

“(vi) a regional farmers’ market authority;

“(vii) a food council; or

“(viii) such other entity as the Secretary may designate.

“(C) PRIORITIES.—The Secretary shall give priority to applications that—

“(i) benefit underserved communities, including communities that are located in areas of concentrated poverty with limited access to fresh locally or regionally grown food; or

“(ii) are used to carry out eligible activities under a partnership agreement under subsection (e) and have not received benefits from the Program in the recent past.

“(D) LIMITATION ON USE OF FUNDS.—

“(i) IN GENERAL.—Except as provided in clause (ii), an eligible entity described in subparagraph (B) may not use a grant for the purchase or construction of a building, general purpose equipment, or structure.

“(ii) EXCEPTION.—An eligible entity described in subparagraph (B) may use not more than \$6,500 of the amount of a grant for an eligible activity described in paragraph (2)(J) to purchase or upgrade equipment to improve food safety.

“(E) MATCHING FUNDS.—An eligible entity described in subparagraph (B) receiving a grant shall provide matching funds in the form of cash or an in-kind contribution in an amount that is equal to 25 percent of the total amount of the Federal portion of the grant.

“(e) PARTNERSHIPS.—

“(1) DEFINITIONS.—In this subsection:

“(A) ELIGIBLE ENTITY.—The term ‘eligible entity’ means—

“(i) a producer;

“(ii) a producer network or association;

“(iii) a farmer or rancher cooperative;

“(iv) a majority-controlled producer-based business venture;

“(v) a food council;

“(vi) a local or Tribal government;

“(vii) a nonprofit corporation;

“(viii) an economic development corporation;

“(ix) a public benefit corporation;

“(x) a community-supported agriculture network or association; and

“(xi) a regional farmers’ market authority.

“(B) *ELIGIBLE PARTNER.*—The term ‘eligible partner’ means—

“(i) a State agency or regional authority;

“(ii) a philanthropic organization;

“(iii) a private corporation;

“(iv) an institution of higher education;

“(v) a commercial, Federal, or Farm Credit System lending institution; and

“(vi) another entity, as determined by the Secretary.

“(2) *GRANTS TO SUPPORT PARTNERSHIPS.*—

“(A) *IN GENERAL.*—The Secretary, acting through the Administrator of the Agricultural Marketing Service, in accordance with the purposes of the Program described in subsection (b), shall, using funds made available under subsection (i), provide grants for each of fiscal years 2019 through 2023 to support partnerships to plan and develop a local or regional food system.

“(B) *GEOGRAPHICAL DIVERSITY.*—To the maximum extent practicable, the Secretary shall ensure geographical diversity in selecting partnerships to receive grants under subparagraph (A).

“(3) *AUTHORITIES OF PARTNERSHIPS.*—A partnership receiving a grant under paragraph (2) may—

“(A) determine the scope of the regional food system to be developed, including goals, outreach objectives, and eligible activities to be carried out;

“(B) determine the local, regional, State, multi-State, or other geographic area covered;

“(C) create and conduct a feasibility study, implementation plan, and assessment of eligible activities under the partnership agreement;

“(D) conduct outreach and education to other eligible entities and eligible partners for potential participation in the partnership agreement and eligible activities;

“(E) describe measures to be taken through the partnership agreement to obtain funding for the eligible activities to be carried out under the partnership agreement;

“(F) at the request of a producer or eligible entity desiring to participate in eligible activities under the partnership agreement, act on behalf of the producer or eligible entity in applying for a grant under subsection (d);

“(G) monitor, evaluate, and periodically report to the Secretary on progress made toward achieving the objectives of eligible activities under the partnership agreement; or

“(H) at the conclusion of the partnership agreement, submit to the Secretary a report describing—

“(i) the results and effects of the partnership agreement; and

“(ii) funds provided under paragraph (4).

“(4) *CONTRIBUTION.*—A partnership receiving a grant under paragraph (2) shall provide funding in an amount equal to not less than 25 percent of the total amount of the Federal portion of the grant.

“(5) *APPLICATIONS.*—

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“(A) *IN GENERAL.*—To be eligible to receive a grant under paragraph (2), a partnership shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary considers necessary to evaluate and select applications.

“(B) *COMPETITIVE PROCESS.*—The Secretary—

“(i) shall conduct a competitive process to select applications submitted under subparagraph (A);

“(ii) may assess and rank applications with similar purposes as a group; and

“(iii) shall make public the criteria to be used in evaluating applications prior to accepting applications.

“(C) *PRIORITY TO CERTAIN APPLICATIONS.*—The Secretary may give priority to applications submitted under subparagraph (A) that—

“(i) leverage significant non-Federal financial and technical resources; and

“(II) coordinate with other local, State, Tribal, or national efforts;

“(ii) cover an area that includes distressed low-income rural or urban communities, including areas with persistent poverty; or

“(iii) have multiple entities and partners in a partnership.

“(D) *PRODUCER OR FOOD BUSINESS BENEFITS.*—

“(i) *IN GENERAL.*—Except as provided in clause (ii), an application submitted under subparagraph (A) shall include a description of the direct or indirect producer or food business benefits intended by the eligible entity to result from the proposed project within a reasonable period of time after the receipt of a grant.

“(ii) *EXCEPTION.*—Clause (i) shall not apply to a planning or feasibility project.

“(6) *TECHNICAL ASSISTANCE.*—On request of an eligible entity, an eligible partner, or a partnership, the Secretary may provide technical assistance in carrying out a partnership agreement.

“(f) *SIMPLIFICATION OF APPLICATION AND REPORTING PROCESSES.*—

“(1) *APPLICATIONS.*—The Secretary shall establish a simplified application form for eligible entities that—

“(A) request less than \$50,000 under subsection (d); or

“(B) apply for grants under subsection (d) under a single application through partnership agreements under subsection (e).

“(2) *REPORTING.*—The Secretary shall—

“(A) streamline and simplify the reporting process for eligible entities; and

“(B) obtain from eligible entities and maintain such information as the Secretary determines is necessary to administer and evaluate the Program.

“(g) *INTERDEPARTMENTAL COORDINATION.*—In carrying out the Program, to the maximum extent practicable, the Secretary shall ensure coordination among Federal agencies.

“(h) *EVALUATION.*—



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*“(1) IN GENERAL.—Using amounts made available under subsection (i)(3)(E), the Secretary shall conduct an evaluation of the Program that—*

*“(A) measures the economic impact of the Program on new and existing market outcomes;*

*“(B) measures the effectiveness of the Program in improving and expanding—*

*“(i) the regional food economy through public and private partnerships;*

*“(ii) the production of value-added agricultural products;*

*“(iii) producer-to-consumer marketing, including direct producer-to-consumer marketing;*

*“(iv) local and regional food systems, including regional food chain coordination and business development;*

*“(v) new business opportunities and marketing strategies to reduce on-farm food waste;*

*“(vi) the use of new technologies in producer-to-consumer marketing, including direct producer-to-consumer marketing; and*

*“(vii) the workforce and capacity of regional food systems; and*

*“(C) provides a description of—*

*“(i) each partnership agreement; and*

*“(ii) each grant provided under subsection (d).*

*“(2) REPORT.—Not later than 4 years after the date of enactment of this section, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the evaluation conducted under paragraph (1), including a thorough analysis of the outcomes of the evaluation.*

*“(i) FUNDING.—*

*“(1) MANDATORY FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section \$50,000,000 for fiscal year 2019 and each fiscal year thereafter, to remain available until expended.*

*“(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$20,000,000 for fiscal year 2019 and each fiscal year thereafter, to remain available until expended.*

*“(3) ALLOCATION OF FUNDS.—*

*“(A) VALUE-ADDED PRODUCER GRANTS.—*

*“(i) IN GENERAL.—Subject to clause (ii), of the funds made available to carry out this section for a fiscal year, 35 percent shall be used for grants under subsection (d)(5).*

*“(ii) RESERVATION OF FUNDS.—*

*“(I) MAJORITY-CONTROLLED PRODUCER-BASED BUSINESS VENTURES.—The total amount of grants under subsection (d)(5) provided to majority-controlled producer-based business ventures for a fiscal year shall not exceed 10 percent of the amount allocated under clause (i).*



*“(II) BEGINNING, VETERAN, AND SOCIALLY DISADVANTAGED FARMERS AND RANCHERS.—Of the funds made available for grants under subsection (d)(5), 10 percent shall be reserved for grants provided to beginning, veteran, and socially disadvantaged farmers or ranchers.*

*“(III) MID-TIER VALUE CHAINS.—Of the funds made available for grants under subsection (d)(5), 10 percent shall be reserved for grants to develop mid-tier value chains.*

*“(IV) FOOD SAFETY ASSISTANCE.—Of the funds made available for grants under subsection (d)(5), not more than 25 percent shall be reserved for grants for eligible activities described in subsection (d)(2)(J).*

*“(B) FARMERS’ MARKET AND LOCAL FOOD PROMOTION GRANTS.—Of the funds made available to carry out this section for a fiscal year, 47 percent shall be used for grants under subsection (d)(6).*

*“(C) REGIONAL PARTNERSHIPS.—Of the funds made available to carry out this section for a fiscal year, 10 percent shall be used to provide grants to support partnerships under subsection (e).*

*“(D) UNOBLIGATED FUNDS.—Any funds under subparagraph (A), (B), or (C) that are not obligated for the uses described in that subparagraph, as applicable, by September 30 of the fiscal year for which the funds were made available—*

*“(i) shall be available to the agency carrying out the Program with the unobligated funds to carry out any function of the Program, as determined by the Secretary; and*

*“(ii) may carry over to the next fiscal year.*

*“(E) ADMINISTRATIVE EXPENSES.—Not greater than 8 percent of amounts made available to provide grants under subsections (d) and (e) for a fiscal year may be used for administrative expenses.”*

*(c) CONFORMING AMENDMENTS.—*

*(1) AGRICULTURAL MARKETING RESOURCE CENTER PILOT PROJECT.—Section 231 of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1632a) is amended—*

*(A) by striking the section heading and inserting “agricultural marketing resource center pilot project.”;*

*(B) by striking subsections (a), (b), (d), and (e);*

*(C) in subsection (c)—*

*(i) by redesignating paragraphs (1) and (2) as subsections (a) and (b), respectively, and indenting appropriately; and*

*(ii) by striking the subsection designation and heading;*

*(D) in subsection (a) (as so redesignated)—*

*(i) in the matter preceding subparagraph (A), by striking “Notwithstanding” and all that follows through “paragraph (2)” and inserting the following: “The Secretary shall not use more than 2.5 percent of*

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*the funds made available to carry out the Local Agriculture Market Program established under section 210A of the Agricultural Marketing Act of 1946 to establish a pilot project (to be known as the ‘Agricultural Marketing Resource Center’) at an eligible institution described in subsection (b)’; and*

*(ii) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively, and indenting appropriately; and*

*(E) in subsection (b) (as so redesignated)—*

*(i) by redesignating subparagraphs (A) through (C) as paragraphs (1) through (3), respectively, and indenting appropriately; and*

*(ii) in paragraph (1) (as so redesignated), by striking “paragraph (1)(A)” and inserting “subsection (a)(1)”.*

*(2) AGRICULTURE INNOVATION CENTER DEMONSTRATION PROGRAM.—Section 6402(f) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1632b(f)) is amended in the matter preceding paragraph (1) by striking “section 231(d) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1621 note; Public Law 106–224)” and inserting “section 210A(d)(2) of the Agricultural Marketing Act of 1946”.*

*(3) LOCAL FOOD PRODUCTION AND PROGRAM EVALUATION.—Section 10016(b)(3)(B) of the Agricultural Act of 2014 (7 U.S.C. 2204h(b)(2)(B)) is amended by striking “Farmers’ Market and Local Food Promotion Program established under section 6 of the Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3005)” and inserting “Local Agriculture Market Program established under section 210A of the Agricultural Marketing Act of 1946”.*

*(4) PROGRAM METRICS.—Section 6209(a) of the Agricultural Act of 2014 (7 U.S.C. 2207b(a)) is amended by striking paragraph (1) and inserting the following:*

*“(1) section 210A of the Agricultural Marketing Act of 1946;”*

*(5) FARMER-TO-CONSUMER DIRECT MARKETING ACT OF 1976.—*

*(A) Section 4 of the Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3003) is amended—*

*(i) by striking “The Secretary” and inserting the following:*

*“(a) IN GENERAL.—The Secretary”; and*

*(ii) by adding at the end the following:*

*“(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.”.*

*(B) Sections 6, 7, and 8 of the Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3005, 3006; 90 Stat. 1983) are repealed.*

**SEC. 10103. ORGANIC PRODUCTION AND MARKET DATA INITIATIVES.**

*Section 7407(d) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 5925c(d)) is amended—*

*(1) in paragraph (1)—*

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(A) in the paragraph heading, by striking “THROUGH FISCAL YEAR 2012”; and

(B) by striking “\$5,000,000, to remain available until expended.” and inserting the following: “, to remain available until expended—

“(A) \$5,000,000 for each of the periods of fiscal years 2008 through 2012 and 2014 through 2018; and

“(B) \$5,000,000 for the period of fiscal years 2019 through 2023.”;

(2) by striking paragraph (2);

(3) by redesignating paragraph (3) as paragraph (2); and

(4) in paragraph (2) (as so redesignated)—

(A) by striking “paragraphs (1) and (2)” and inserting “paragraph (1)”; and

(B) by striking “2018” and inserting “2023”.

**SEC. 10104. ORGANIC CERTIFICATION.**

(a) *EXCLUSIONS FROM CERTIFICATION.*—Not later than 1 year after the date of enactment of this Act, the Secretary shall issue regulations to limit the type of organic operations that are excluded from certification under section 205.101 of title 7, Code of Federal Regulations, and from certification under any other related sections under part 205 of title 7, Code of Federal Regulations.

(b) *DEFINITIONS.*—Section 2103 of the Organic Foods Production Act of 1990 (7 U.S.C. 6502) is amended—

(1) in paragraph (3)—

(A) by striking “The term” and inserting the following:

“(A) *IN GENERAL.*—The term”; and

(B) by adding at the end the following:

“(B) *FOREIGN OPERATIONS.*—When used in the context of a certifying agent operating in a foreign country, the term ‘certifying agent’ includes any person (including a private entity)—

“(i) accredited in accordance with section 2115(d);

or

“(ii) accredited by a foreign government that acted under an equivalency agreement negotiated between the United States and the foreign government from which the agricultural product is imported.”;

(2) by redesignating paragraphs (13) through (21) as paragraphs (14) through (22), respectively; and

(3) by inserting after paragraph (12) the following:

“(13) *NATIONAL ORGANIC PROGRAM IMPORT CERTIFICATE.*—The term ‘national organic program import certificate’ means a form developed for purposes of the program under this title—

“(A) to provide documentation sufficient to verify that an agricultural product imported for sale in the United States satisfies the requirement under section 2115(c);

“(B) which shall include, at a minimum, information sufficient to indicate, with respect to the agricultural product—

“(i) the origin;

“(ii) the destination;

“(iii) the certifying agent issuing the national organic program import certificate;

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*“(iv) the harmonized tariff code, if a harmonized tariff code exists for the agricultural product;*

*“(v) the total weight; and*

*“(vi) the organic standard to which the agricultural product is certified; and*

*“(C) that is not more than otherwise required under an equivalency agreement negotiated between the United States and the foreign government.”.*

*(c) ACCREDITATION PROGRAM.—Section 2115 of the Organic Foods Production Act of 1990 (7 U.S.C. 6514) is amended by striking subsection (c) and inserting the following:*

*“(c) ADDITIONAL DOCUMENTATION AND VERIFICATION.—The Secretary, acting through the Deputy Administrator of the national organic program established under this title, has the authority, and shall grant a certifying agent the authority, to require producers and handlers to provide additional documentation or verification before granting a certification under section 2104, in the case of a compliance risk with respect to meeting the national standards for organic production established under section 2105, as determined by the Secretary or the certifying agent.*

*“(d) ACCREDITATION OF FOREIGN ORGANIC CERTIFICATION PROGRAM.—*

*“(1) IN GENERAL.—For an agricultural product being imported into the United States to be represented as organically produced, the Secretary shall require the agricultural product to be accompanied by a complete and valid national organic import certificate, which shall be available as an electronic record.*

*“(2) TRACKING SYSTEM.—*

*“(A) IN GENERAL.—The Secretary shall establish a system to track national organic import certificates.*

*“(B) INTEGRATION.—In establishing the system under subparagraph (A), the Secretary may integrate the system into any existing information tracking systems for imports of agricultural products.*

*“(e) DURATION OF ACCREDITATION.—An accreditation made under this section—*

*“(1) subject to paragraph (2), shall be for a period of not more than 5 years, as determined appropriate by the Secretary;*

*“(2) in the case of a certifying agent operating in a foreign country, shall be for a period of time that is consistent with the certification of a domestic certifying agent, as determined appropriate by the Secretary; and*

*“(3) may be renewed.”.*

*(d) REQUIREMENTS OF CERTIFYING AGENTS.—Section 2116 of the Organic Foods Production Act of 1990 (7 U.S.C. 6515) is amended—*

*(1) in subsection (i)—*

*(A) in paragraph (1), by inserting “or an entity acting as an agent of the certifying agent” after “a certifying agent”;*

*(B) by redesignating paragraph (2) as paragraph (3); and*

*(C) by inserting after paragraph (1) the following:*

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*“(2) OVERSIGHT OF CERTIFYING OFFICES AND FOREIGN OPERATIONS.—*

*“(A) IN GENERAL.—If the Secretary determines that an office of a certifying agent or entity described in paragraph (1) is not complying with the provisions of this title, the Secretary may suspend the operations of the certifying agent or the noncompliant office, including—*

*“(i) an office operating in a foreign country; and*

*“(ii) an office operating in the United States, including an office acting on behalf of a foreign-domiciled entity.*

*“(B) PROCESS FOR RESUMING OPERATIONS FOLLOWING SUSPENSION.—The Secretary shall provide for a process that is otherwise consistent with this section that authorizes a suspended office to resume operations.”; and*

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

*“(j) NOTICE.—Not later than 90 days after the date on which a new certifying office performing certification activities opens, an accredited certifying agent shall notify the Secretary of the opening.”.*

*(e) CERTAIN EMPLOYEES ELIGIBLE TO SERVE AS NATIONAL ORGANIC STANDARDS BOARD MEMBERS.—Section 2119(b) of the Organic Foods Production Act of 1990 (7 U.S.C. 6518(b)) is amended—*

*(1) in paragraph (1), by inserting “, or employees of such individuals” after “operation”;*

*(2) in paragraph (2), by inserting “, or employees of such individuals” after “operation”; and*

*(3) in paragraph (3), by inserting “, or an employee of such individual” after “products”.*

*(f) NATIONAL ORGANIC STANDARDS BOARD.—Section 2119(i) of the Organic Foods Production Act of 1990 (7 U.S.C. 6518(i)) is amended—*

*(1) by striking “Two-thirds” and inserting the following:*

*“(1) IN GENERAL.—<sup>2</sup>/<sub>3</sub>”; and*

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

*“(2) NATIONAL LIST.—Any vote on a motion proposing to amend the national list shall be considered to be a decisive vote that requires <sup>2</sup>/<sub>3</sub> of the votes cast at a meeting of the Board at which a quorum is present to prevail.”.*

*(g) INVESTIGATIONS.—Section 2120(b) of the Organic Foods Production Act (7 U.S.C. 6519(b)) is amended by adding at the end the following:*

*“(3) INFORMATION SHARING DURING ACTIVE INVESTIGATION.—In carrying out this title, all parties to an active investigation (including certifying agents, State organic certification programs, and the national organic program) shall share confidential business information with Federal Government officers and employees involved in the investigation as necessary to fully investigate and enforce potential violations of this title.”.*

*(h) DATA ORGANIZATION AND ACCESS.—Section 2122 of the Organic Foods Production Act of 1990 (7 U.S.C. 6521) is amended by adding at the end the following:*

*“(c) ACCESS TO DATA DOCUMENTATION SYSTEMS.—The Secretary shall have access to available data from cross-border documentation systems administered by other Federal agencies, includ-*



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ing the Automated Commercial Environment system of U.S. Customs and Border Protection.

“(d) **REPORTS.**—

“(1) **IN GENERAL.**—Not later than March 1, 2020, and annually thereafter through March 1, 2023, the Secretary shall submit to Congress, and make publicly available on the website of the Department of Agriculture, a report describing national organic program activities with respect to all domestic and overseas investigations and compliance actions taken pursuant to this title during the preceding year.

“(2) **REQUIREMENTS.**—The data described in paragraph (1) shall be broken down by agricultural product, quantity, value, and month.

“(3) **EXCEPTION.**—Any data determined by the Secretary to be confidential business information shall not be provided in the report under paragraph (1).”.

(i) **ORGANIC AGRICULTURAL PRODUCT IMPORTS INTERAGENCY WORKING GROUP.**—The Organic Foods Production Act of 1990 is amended by inserting after section 2122 (7 U.S.C. 6521) the following:

“**SEC. 2122A. ORGANIC AGRICULTURAL PRODUCT IMPORTS INTERAGENCY WORKING GROUP.**

“(a) **ESTABLISHMENT.**—

“(1) **IN GENERAL.**—The Secretary and the Secretary of Homeland Security shall jointly establish a working group to facilitate coordination and information sharing between the Department of Agriculture and U.S. Customs and Border Protection relating to imports of organically produced agricultural products (referred to in this section as the ‘working group’).

“(2) **MEMBERS.**—The working group—

“(A) shall include—

“(i) the Secretary (or a designee); and

“(ii) the Secretary of Homeland Security (or a designee); and

“(B) shall not include any non-Federal officer or employee.

“(3) **DUTIES.**—The working group shall facilitate coordination and information sharing between the Department of Agriculture and U.S. Customs and Border Protection for the purposes of—

“(A) identifying imports of organically produced agricultural products;

“(B) verifying the authenticity of organically produced agricultural product import documentation, such as national organic program import certificates;

“(C) ensuring imported agricultural products represented as organically produced meet the requirements under this title;

“(D) collecting and organizing quantitative data on imports of organically produced agricultural products; and

“(E) requesting feedback from stakeholders on how to improve the oversight of imports of organically produced agricultural products.

“(4) **DESIGNATED EMPLOYEES AND OFFICIALS.**—An employee or official designated to carry out the duties of the Secretary or



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*the Secretary of Homeland Security on the working group under subparagraph (A) or (B) of paragraph (2) shall be an employee or official compensated at a rate of pay not less than the minimum annual rate of basic pay for GS-12 under section 5332 of title 5, United States Code.*

*“(b) REPORTS.—On an annual basis, the working group shall submit to Congress and make publicly available on the websites of the Department of Agriculture and U.S. Customs and Border Protection the following reports:*

*“(1) ORGANIC TRADE ENFORCEMENT INTERAGENCY COORDINATION REPORT.—A report—*

*“(A) identifying existing barriers to cooperation between the agencies involved in agricultural product import inspection, trade data collection and organization, and organically produced agricultural product trade enforcement, including—*

*“(i) U.S. Customs and Border Protection;*

*“(ii) the Agricultural Marketing Service; and*

*“(iii) the Animal and Plant Health Inspection Service;*

*“(B) assessing progress toward integrating organic trade enforcement into import inspection procedures of U.S. Customs and Border Protection and the Animal and Plant Health Inspection Service, including an assessment of—*

*“(i) the status of the development of systems for—*

*“(I) tracking the fumigation of imports of organically produced agricultural products into the United States; and*

*“(II) electronically verifying national organic program import certificate authenticity; and*

*“(ii) training of U.S. Customs and Border Protection personnel on—*

*“(I) the use of the systems described in clause (i); and*

*“(II) requirements and protocols under this title;*

*“(C) establishing methodology for ensuring imports of agricultural products represented as organically produced meet the requirements under this title;*

*“(D) recommending steps to improve the documentation and traceability of imported organically produced agricultural products;*

*“(E) recommending and describing steps for—*

*“(i) improving compliance with the requirements of this title for all agricultural products imported into the United States and represented as organically produced; and*

*“(ii) ensuring accurate labeling and marketing of imported agricultural products represented as organically produced by the exporter; and*

*“(F) describing staffing needs and additional resources at U.S. Customs and Border Protection and the Department of Agriculture needed to ensure compliance.*

*“(2) REPORT ON ENFORCEMENT ACTIONS TAKEN ON ORGANIC IMPORTS.—A report—*

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“(A) providing detailed quantitative data (broken down by agricultural product, quantity, value, month, and origin) on imports of agricultural products represented as organically produced found to be fraudulent or lacking any documentation required under this title at the port of entry during the report year;

“(B) providing data on domestic enforcement actions taken on imported agricultural products represented as organically produced, including the number and type of actions taken by United States officials at ports of entry in response to violations of this title;

“(C) providing data on fumigation of agricultural products represented as organically produced at ports of entry and notifications of fumigation actions to shipment owners, broken down by product variety and country of origin; and

“(D) providing information on enforcement activities under this title involving overseas investigations and compliance actions taken within that year, including—

“(i) the number of investigations by country; and

“(ii) a descriptive summary of compliance actions taken by certifying agents in each country.”.

(j) **AUTHORIZATION OF APPROPRIATIONS FOR NATIONAL ORGANIC PROGRAM.**—Section 2123 of the Organic Foods Production Act of 1990 (7 U.S.C. 6522) is amended—

(1) by striking the section heading and inserting “**FUNDING**”;

(2) in subsection (b), by striking paragraphs (1) through (7) and inserting the following:

“(1) \$15,000,000 for fiscal year 2018;

“(2) \$16,500,000 for fiscal year 2019;

“(3) \$18,000,000 for fiscal year 2020;

“(4) \$20,000,000 for fiscal year 2021;

“(5) \$22,000,000 for fiscal year 2022; and

“(6) \$24,000,000 for fiscal year 2023.”; and

(3) by striking subsection (c) and inserting the following:

“(c) **MODERNIZATION AND IMPROVEMENT OF INTERNATIONAL TRADE TECHNOLOGY SYSTEMS AND DATA COLLECTION.**—

“(1) **IN GENERAL.**—The Secretary shall establish a new system or modify an existing data collection and organization system to collect and organize in a single system quantitative data on imports of each organically produced agricultural product accepted into the United States.

“(2) **ACTIVITIES.**—In carrying out paragraph (1), the Secretary shall modernize trade and transaction certificates to ensure full traceability to the port of entry without unduly hindering trade or commerce, such as through an electronic trade document exchange system.

“(3) **ACCESS.**—The single system established under paragraph (1) shall be accessible by any agency with the direct authority to engage in—

“(A) inspection of imports of agricultural products;

“(B) trade data collection and organization; or

“(C) enforcement of trade requirements for organically produced agricultural products.

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“(4) *FUNDING.*—Of the funds of the Commodity Credit Corporation, the Secretary shall make available \$5,000,000 for fiscal year 2019 for the purposes of—

“(A) carrying out this subsection; and

“(B) maintaining the database and technology upgrades previously carried out under this subsection, as in effect on the day before the date of enactment of the Agriculture Improvement Act of 2018.

“(5) *AVAILABILITY.*—The amounts made available under paragraph (4) are in addition to any other funds made available for the purposes described in that paragraph and shall remain available until expended.”.

(k) *TRADE SAVINGS PROVISION.*—The amendments made by subsection (i) shall be carried out in a manner consistent with United States obligations under international agreements.

**SEC. 10105. NATIONAL ORGANIC CERTIFICATION COST-SHARE PROGRAM.**

(a) *ELIMINATION OF DIRECTED DELEGATION.*—Section 10606(a) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 6523(a)) is amended by striking “(acting through the Agricultural Marketing Service)”.

(b) *FUNDING.*—Section 10606 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 6523) is amended by striking subsection (d) and inserting the following:

“(d) *MANDATORY FUNDING.*—

“(1) *IN GENERAL.*—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section—

“(A) \$2,000,000 for each of fiscal years 2019 and 2020;

“(B) \$4,000,000 for fiscal year 2021; and

“(C) \$8,000,000 for each of fiscal years 2022 and 2023.

“(2) *AVAILABILITY.*—Amounts made available under paragraph (1) shall remain available until expended.”.

**SEC. 10106. FOOD SAFETY EDUCATION INITIATIVES.**

Section 10105(c) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 7655a(c)) is amended by striking “2018” and inserting “2023”.

**SEC. 10107. SPECIALTY CROP BLOCK GRANTS.**

Section 101 of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note; Public Law 108–465) is amended—

(1) in subsection (a)—

(A) by striking “2018” and inserting “2023”; and

(B) by striking “solely to enhance the competitiveness of specialty crops.” and inserting the following: “to enhance the competitiveness of specialty crops, including—

“(1) by leveraging efforts to market and promote specialty crops;

“(2) by assisting producers with research and development relevant to specialty crops;

“(3) by expanding availability and access to specialty crops;

“(4) by addressing local, regional, and national challenges confronting specialty crop producers; and

“(5) for such other purposes determined to be appropriate by the Secretary of Agriculture, in consultation with specialty

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*crop stakeholders and relevant State departments of agriculture.”;*

*(2) in subsection (j)—*

*(A) by redesignating paragraphs (1) through (5) as subparagraphs (A) through (E), respectively, and indenting appropriately;*

*(B) in the matter preceding subparagraph (A) (as so redesignated), by striking “Not later” and inserting the following:*

*“(1) IN GENERAL.—Not later”;* and

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

*“(2) ADMINISTRATION OF MULTISTATE PROJECTS FROM NON-PARTICIPATING STATES.—The Secretary of Agriculture may directly administer all aspects of multistate projects under this subsection for applicants in a nonparticipating State.”;*

*(3) in subsection (k), by adding at the end the following:*

*“(3) EVALUATION.—*

*“(A) PERFORMANCE MEASURES AND REVIEW.—*

*“(i) DEVELOPMENT.—The Secretary of Agriculture and the State departments of agriculture, in consultation with specialty crop stakeholders, shall develop performance measures to be used as the sole means of performing any evaluation of the grant program established under this section.*

*“(ii) REVIEW.—The Secretary of Agriculture, in consultation with the State departments of agriculture, shall periodically evaluate the performance of the grant program established under this section.*

*“(B) COOPERATIVE AGREEMENTS.—The Secretary of Agriculture may enter into cooperative agreements—*

*“(i) to develop the performance measures under subparagraph (A)(i); or*

*“(ii) to evaluate the overall performance of the grant program established under this section.”;* and

*(4) in subsection (l)(2)(E), by inserting “and each fiscal year thereafter” after “2018”.*

**SEC. 10108. AMENDMENTS TO THE PLANT VARIETY PROTECTION ACT.**

*(a) ASEXUALLY REPRODUCED DEFINED.—Section 41(a) of the Plant Variety Protection Act (7 U.S.C. 2401(a)) is amended—*

*(1) by redesignating paragraphs (1), (2), (3), (4), (5), (6), (7), (8), and (9) as paragraphs (2), (3), (4), (5), (6), (7), (8), (9), and (10), respectively; and*

*(2) by inserting before paragraph (2), as so redesignated, the following new paragraph:*

*“(1) ASEXUALLY REPRODUCED.—The term ‘asexually reproduced’ means produced by a method of plant propagation using vegetative material (other than seed) from a single parent, including cuttings, grafting, tissue culture, and propagation by root division.”.*

*(b) RIGHT TO PLANT VARIETY PROTECTION; PLANT VARIETIES PROTECTABLE.—Section 42(a) of the Plant Variety Protection Act (7 U.S.C. 2402(a)) is amended by striking “or tuber propagated” and inserting “, tuber propagated, or asexually reproduced”.*

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(c) *INFRINGEMENT OF PLANT VARIETY PROTECTION.*—Section 111(a)(3) of the Plant Variety Protection Act (7 U.S.C. 2541(a)(3)) is amended by inserting “or asexually” after “sexually”.

(d) *FALSE MARKETING; CEASE AND DESIST ORDERS.*—Section 128(a) of the Plant Variety Protection Act (7 U.S.C. 2568(a)) is amended, in the matter preceding paragraph (1), by inserting “or asexually” after “sexually”.

**SEC. 10109. MULTIPLE CROP AND PESTICIDE USE SURVEY.**

(a) *IN GENERAL.*—The Secretary, acting through the Director of the Office of Pest Management Policy, shall conduct a multiple crop and pesticide use survey of farmers to collect data for risk assessment modeling and mitigation for an active ingredient.

(b) *SUBMISSION.*—The Secretary shall submit to the Administrator of the Environmental Protection Agency and make publicly available the survey described in subsection (a).

(c) *FUNDING.*—

(1) *MANDATORY FUNDING.*—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section \$500,000 for fiscal year 2019, to remain available until expended.

(2) *AUTHORIZATION OF APPROPRIATIONS.*—There is authorized to be appropriated to carry out this section \$2,500,000, to remain available until expended.

(d) *CONFIDENTIALITY OF INFORMATION.*—Section 1770 of the Food Security Act of 1985 (7 U.S.C. 2276) is amended—

(1) in subsection (a)—

(A) by striking “(a) In the case” and inserting the following:

“(a) *IN GENERAL.*—In the case”; and

(B) in paragraph (3), by striking “subsection (d)(12)” and inserting “paragraph (12) or (13) of subsection (d)”; and

(2) in subsection (d)—

(A) by striking “(d) For purposes” and inserting the following:

“(d) *PROVISIONS OF LAW REFERENCES.*—For purposes”;

(B) in paragraph (11), by striking “or” at the end;

(C) in paragraph (12), by striking the period at the end and inserting “; or”; and

(D) by adding at the end the following:

“(13) section 10109 of the Agriculture Improvement Act of 2018.”.

**SEC. 10110. REPORT ON THE ARRIVAL IN THE UNITED STATES OF FOREST PESTS THROUGH RESTRICTIONS ON THE IMPORTATION OF CERTAIN PLANTS FOR PLANTING.**

Not later than March 1, 2021, the Secretary shall submit to Congress a report—

(1) evaluating the effectiveness of the Federal Government in intercepting pests in international shipping and on plants for planting;

(2) describing the geographic sources of intercepted pests and the commodities or plant species most often associated with infested shipments;

(3) quantifying the detection of forest pests in the national surveillance networks, including the Cooperative Agricultural



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*Pest Survey and the Early Detection and Rapid Response network of the Forest Service;*

*(4) describing new outbreaks of forest pests in the United States and the spread of existing infestations;*

*(5) describing how the numbers of such interceptions, detections, and outbreaks described in a preceding paragraph have changed since January 1, 2018;*

*(6) containing proposed additional actions to further reduce the rate of arrival for forest pests across the borders of the United States;*

*(7) identifying current challenges with intercepting, detecting, and addressing outbreaks of tree and wood pests, as well as challenges in achieving compliance with the Plant Protection Act (7 U.S.C. 7701 et seq.) and recommendations with respect to such challenges; and*

*(8) describing the coordination and collaboration occurring between the Animal and Plant Health Inspection Service and the Forest Service with respect to—*

*(A) identifying and prioritizing critical detection, surveillance, and eradication needs for tree and wood pests; and*

*(B) identifying the actions each agency takes within their respective missions to address identified priorities.*

**SEC. 10111. REPORT ON PLANT BIOSTIMULANTS.**

*(a) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit a report to the President and Congress that identifies any potential regulatory, non-regulatory, and legislative recommendations, including the appropriateness of any definitions for plant biostimulant, to ensure the efficient and appropriate review, approval, uniform national labeling, and availability of plant biostimulant products to agricultural producers.*

*(b) CONSULTATION.—The Secretary shall prepare the report required by subsection (a) in consultation with the Administrator of the Environmental Protection Agency, the several States, industry stakeholders, and such other stakeholders as the Secretary determines necessary.*

*(c) PLANT BIOSTIMULANT.—For the purposes of the report under subsection (a), the Secretary—*

*(1) shall consider “plant biostimulant” to be a substance or micro-organism that, when applied to seeds, plants, or the rhizosphere, stimulates natural processes to enhance or benefit nutrient uptake, nutrient efficiency, tolerance to abiotic stress, or crop quality and yield; and*

*(2) may modify the description of plant biostimulant, as appropriate.*

**SEC. 10112. CLARIFICATION OF USE OF FUNDS FOR TECHNICAL ASSISTANCE.**

*Section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i) is amended in the last sentence by inserting after “activities” the following: “but excluding any amounts used to provide technical assistance under title X of the Agriculture Improvement Act of 2018 or an amendment made by that title”.*



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**SEC. 10113. HEMP PRODUCTION.**

*The Agricultural Marketing Act of 1946 (7 U.S.C. 1621 et seq.) is amended by adding at the end the following:*

### **“Subtitle G—Hemp Production**

**“SEC. 297A. DEFINITIONS.**

*“In this subtitle:*

*“(1) HEMP.—The term ‘hemp’ means the plant Cannabis sativa L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis.*

*“(2) INDIAN TRIBE.—The term ‘Indian tribe’ has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).*

*“(3) SECRETARY.—The term ‘Secretary’ means the Secretary of Agriculture.*

*“(4) STATE.—The term ‘State’ means—*

*“(A) a State;*

*“(B) the District of Columbia;*

*“(C) the Commonwealth of Puerto Rico; and*

*“(D) any other territory or possession of the United States.*

*“(5) STATE DEPARTMENT OF AGRICULTURE.—The term ‘State department of agriculture’ means the agency, commission, or department of a State government responsible for agriculture in the State.*

*“(6) TRIBAL GOVERNMENT.—The term ‘Tribal government’ means the governing body of an Indian tribe.*

**“SEC. 297B. STATE AND TRIBAL PLANS.**

*“(a) SUBMISSION.—*

*“(1) IN GENERAL.—A State or Indian tribe desiring to have primary regulatory authority over the production of hemp in the State or territory of the Indian tribe shall submit to the Secretary, through the State department of agriculture (in consultation with the Governor and chief law enforcement officer of the State) or the Tribal government, as applicable, a plan under which the State or Indian tribe monitors and regulates that production as described in paragraph (2).*

*“(2) CONTENTS.—A State or Tribal plan referred to in paragraph (1)—*

*“(A) shall only be required to include—*

*“(i) a practice to maintain relevant information regarding land on which hemp is produced in the State or territory of the Indian tribe, including a legal description of the land, for a period of not less than 3 calendar years;*

*“(ii) a procedure for testing, using post-decarboxylation or other similarly reliable methods, delta-9 tetrahydrocannabinol concentration levels of hemp produced in the State or territory of the Indian tribe;*

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“(iii) a procedure for the effective disposal of—

“(I) plants, whether growing or not, that are produced in violation of this subtitle; and

“(II) products derived from those plants;

“(iv) a procedure to comply with the enforcement procedures under subsection (e);

“(v) a procedure for conducting annual inspections of, at a minimum, a random sample of hemp producers to verify that hemp is not produced in violation of this subtitle;

“(vi) a procedure for submitting the information described in section 297C(d)(2), as applicable, to the Secretary not more than 30 days after the date on which the information is received; and

“(vii) a certification that the State or Indian tribe has the resources and personnel to carry out the practices and procedures described in clauses (i) through (vi); and

“(B) may include any other practice or procedure established by a State or Indian tribe, as applicable, to the extent that the practice or procedure is consistent with this subtitle.

“(3) RELATION TO STATE AND TRIBAL LAW.—

“(A) NO PREEMPTION.—Nothing in this subsection preempts or limits any law of a State or Indian tribe that—

“(i) regulates the production of hemp; and

“(ii) is more stringent than this subtitle.

“(B) REFERENCES IN PLANS.—A State or Tribal plan referred to in paragraph (1) may include a reference to a law of the State or Indian tribe regulating the production of hemp, to the extent that law is consistent with this subtitle.

“(b) APPROVAL.—

“(1) IN GENERAL.—Not later than 60 days after receipt of a State or Tribal plan under subsection (a), the Secretary shall—

“(A) approve the State or Tribal plan if the State or Tribal plan complies with subsection (a); or

“(B) disapprove the State or Tribal plan only if the State or Tribal plan does not comply with subsection (a).

“(2) AMENDED PLANS.—If the Secretary disapproves a State or Tribal plan under paragraph (1)(B), the State, through the State department of agriculture (in consultation with the Governor and chief law enforcement officer of the State) or the Tribal government, as applicable, may submit to the Secretary an amended State or Tribal plan that complies with subsection (a).

“(3) CONSULTATION.—The Secretary shall consult with the Attorney General in carrying out this subsection.

“(c) AUDIT OF STATE COMPLIANCE.—

“(1) IN GENERAL.—The Secretary may conduct an audit of the compliance of a State or Indian tribe with a State or Tribal plan approved under subsection (b).

“(2) NONCOMPLIANCE.—If the Secretary determines under an audit conducted under paragraph (1) that a State or Indian tribe is not materially in compliance with a State or Tribal plan—

*“(A) the Secretary shall collaborate with the State or Indian tribe to develop a corrective action plan in the case of a first instance of noncompliance; and*

*“(B) the Secretary may revoke approval of the State or Tribal plan in the case of a second or subsequent instance of noncompliance.*

*“(d) TECHNICAL ASSISTANCE.—The Secretary may provide technical assistance to a State or Indian tribe in the development of a State or Tribal plan under subsection (a).*

*“(e) VIOLATIONS.—*

*“(1) IN GENERAL.—A violation of a State or Tribal plan approved under subsection (b) shall be subject to enforcement solely in accordance with this subsection.*

*“(2) NEGLIGENT VIOLATION.—*

*“(A) IN GENERAL.—A hemp producer in a State or the territory of an Indian tribe for which a State or Tribal plan is approved under subsection (b) shall be subject to subparagraph (B) of this paragraph if the State department of agriculture or Tribal government, as applicable, determines that the hemp producer has negligently violated the State or Tribal plan, including by negligently—*

*“(i) failing to provide a legal description of land on which the producer produces hemp;*

*“(ii) failing to obtain a license or other required authorization from the State department of agriculture or Tribal government, as applicable; or*

*“(iii) producing Cannabis sativa L. with a delta-9 tetrahydrocannabinol concentration of more than 0.3 percent on a dry weight basis.*

*“(B) CORRECTIVE ACTION PLAN.—A hemp producer described in subparagraph (A) shall comply with a plan established by the State department of agriculture or Tribal government, as applicable, to correct the negligent violation, including—*

*“(i) a reasonable date by which the hemp producer shall correct the negligent violation; and*

*“(ii) a requirement that the hemp producer shall periodically report to the State department of agriculture or Tribal government, as applicable, on the compliance of the hemp producer with the State or Tribal plan for a period of not less than the next 2 calendar years.*

*“(C) RESULT OF NEGLIGENT VIOLATION.—A hemp producer that negligently violates a State or Tribal plan under subparagraph (A) shall not as a result of that violation be subject to any criminal enforcement action by the Federal Government or any State government, Tribal government, or local government.*

*“(D) REPEAT VIOLATIONS.—A hemp producer that negligently violates a State or Tribal plan under subparagraph (A) 3 times in a 5-year period shall be ineligible to produce hemp for a period of 5 years beginning on the date of the third violation.*

*“(3) OTHER VIOLATIONS.—*

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*“(A) IN GENERAL.—If the State department of agriculture or Tribal government in a State or the territory of an Indian tribe for which a State or Tribal plan is approved under subsection (b), as applicable, determines that a hemp producer in the State or territory has violated the State or Tribal plan with a culpable mental state greater than negligence—*

*“(i) the State department of agriculture or Tribal government, as applicable, shall immediately report the hemp producer to—*

*“(I) the Attorney General; and*

*“(II) the chief law enforcement officer of the State or Indian tribe, as applicable; and*

*“(ii) paragraph (1) of this subsection shall not apply to the violation.*

*“(B) FELONY.—*

*“(i) IN GENERAL.—Except as provided in clause (ii), any person convicted of a felony relating to a controlled substance under State or Federal law before, on, or after the date of enactment of this subtitle shall be ineligible, during the 10-year period following the date of the conviction—*

*“(I) to participate in the program established under this section or section 297C; and*

*“(II) to produce hemp under any regulations or guidelines issued under section 297D(a).*

*“(ii) EXCEPTION.—Clause (i) shall not apply to any person growing hemp lawfully with a license, registration, or authorization under a pilot program authorized by section 7606 of the Agricultural Act of 2014 (7 U.S.C. 5940) before the date of enactment of this subtitle.*

*“(C) FALSE STATEMENT.—Any person who materially falsifies any information contained in an application to participate in the program established under this section shall be ineligible to participate in that program.*

*“(f) EFFECT.—Nothing in this section prohibits the production of hemp in a State or the territory of an Indian tribe—*

*“(1) for which a State or Tribal plan is not approved under this section, if the production of hemp is in accordance with section 297C or other Federal laws (including regulations); and*

*“(2) if the production of hemp is not otherwise prohibited by the State or Indian tribe.*

**“SEC. 297C. DEPARTMENT OF AGRICULTURE.**

*“(a) DEPARTMENT OF AGRICULTURE PLAN.—*

*“(1) IN GENERAL.—In the case of a State or Indian tribe for which a State or Tribal plan is not approved under section 297B, the production of hemp in that State or the territory of that Indian tribe shall be subject to a plan established by the Secretary to monitor and regulate that production in accordance with paragraph (2).*

*“(2) CONTENT.—A plan established by the Secretary under paragraph (1) shall include—*

*“(A) a practice to maintain relevant information regarding land on which hemp is produced in the State or*

*territory of the Indian tribe, including a legal description of the land, for a period of not less than 3 calendar years;*

*“(B) a procedure for testing, using post-decarboxylation or other similarly reliable methods, delta-9 tetrahydrocannabinol concentration levels of hemp produced in the State or territory of the Indian tribe;*

*“(C) a procedure for the effective disposal of—*

*“(i) plants, whether growing or not, that are produced in violation of this subtitle; and*

*“(ii) products derived from those plants;*

*“(D) a procedure to comply with the enforcement procedures under subsection (c)(2);*

*“(E) a procedure for conducting annual inspections of, at a minimum, a random sample of hemp producers to verify that hemp is not produced in violation of this subtitle; and*

*“(F) such other practices or procedures as the Secretary considers to be appropriate, to the extent that the practice or procedure is consistent with this subtitle.*

*“(b) LICENSING.—The Secretary shall establish a procedure to issue licenses to hemp producers in accordance with a plan established under subsection (a).*

*“(c) VIOLATIONS.—*

*“(1) IN GENERAL.—In the case of a State or Indian tribe for which a State or Tribal plan is not approved under section 297B, it shall be unlawful to produce hemp in that State or the territory of that Indian tribe without a license issued by the Secretary under subsection (b).*

*“(2) NEGLIGENT AND OTHER VIOLATIONS.—A violation of a plan established under subsection (a) shall be subject to enforcement in accordance with paragraphs (2) and (3) of section 297B(e), except that the Secretary shall carry out that enforcement instead of a State department of agriculture or Tribal government.*

*“(3) REPORTING TO ATTORNEY GENERAL.—In the case of a State or Indian tribe covered by paragraph (1), the Secretary shall report the production of hemp without a license issued by the Secretary under subsection (b) to the Attorney General.*

*“(d) INFORMATION SHARING FOR LAW ENFORCEMENT.—*

*“(1) IN GENERAL.—The Secretary shall—*

*“(A) collect the information described in paragraph (2); and*

*“(B) make the information collected under subparagraph (A) accessible in real time to Federal, State, territorial, and local law enforcement.*

*“(2) CONTENT.—The information collected by the Secretary under paragraph (1) shall include—*

*“(A) contact information for each hemp producer in a State or the territory of an Indian tribe for which—*

*“(i) a State or Tribal plan is approved under section 297B(b); or*

*“(ii) a plan is established by the Secretary under this section;*



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*“(B) a legal description of the land on which hemp is grown by each hemp producer described in subparagraph (A); and*

*“(C) for each hemp producer described in subparagraph (A)—*

*“(i) the status of—*

*“(I) a license or other required authorization from the State department of agriculture or Tribal government, as applicable; or*

*“(II) a license from the Secretary; and*

*“(ii) any changes to the status.*

**“SEC. 297D. REGULATIONS AND GUIDELINES; EFFECT ON OTHER LAW.**

**“(a) PROMULGATION OF REGULATIONS AND GUIDELINES; REPORT.—**

*“(1) REGULATIONS AND GUIDELINES.—*

*“(A) IN GENERAL.—The Secretary shall promulgate regulations and guidelines to implement this subtitle as expeditiously as practicable.*

*“(B) CONSULTATION WITH ATTORNEY GENERAL.—The Secretary shall consult with the Attorney General on the promulgation of regulations and guidelines under subparagraph (A).*

*“(2) REPORT.—The Secretary shall annually submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report containing updates on the implementation of this subtitle.*

*“(b) AUTHORITY.—Subject to subsection (c)(3)(B), the Secretary shall have sole authority to promulgate Federal regulations and guidelines that relate to the production of hemp, including Federal regulations and guidelines that relate to the implementation of sections 297B and 297C.*

*“(c) EFFECT ON OTHER LAW.—Nothing in this subtitle shall affect or modify—*

*“(1) the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.);*

*“(2) section 351 of the Public Health Service Act (42 U.S.C. 262); or*

*“(3) the authority of the Commissioner of Food and Drugs and the Secretary of Health and Human Services—*

*“(A) under—*

*“(i) the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.); or*

*“(ii) section 351 of the Public Health Service Act (42 U.S.C. 262); or*

*“(B) to promulgate Federal regulations and guidelines that relate to the production of hemp under the Act described in subparagraph (A)(i) or the section described in subparagraph (A)(ii).*

**“SEC. 297E. AUTHORIZATION OF APPROPRIATIONS.**

*“There are authorized to be appropriated such sums as are necessary to carry out this subtitle.”.*



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**SEC. 10114. INTERSTATE COMMERCE.**

(a) *RULE OF CONSTRUCTION.*—Nothing in this title or an amendment made by this title prohibits the interstate commerce of hemp (as defined in section 297A of the Agricultural Marketing Act of 1946 (as added by section 10113)) or hemp products.

(b) *TRANSPORTATION OF HEMP AND HEMP PRODUCTS.*—No State or Indian Tribe shall prohibit the transportation or shipment of hemp or hemp products produced in accordance with subtitle G of the Agricultural Marketing Act of 1946 (as added by section 10113) through the State or the territory of the Indian Tribe, as applicable.

**SEC. 10115. FIFRA INTERAGENCY WORKING GROUP.**

Section 3(c) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 13a(c)) is amended by adding at the end the following:

“(11) *INTERAGENCY WORKING GROUP.*—

“(A) *DEFINITION OF COVERED AGENCY.*—In this paragraph, the term ‘covered agency’ means any of the following:

“(i) The Department of Agriculture.

“(ii) The Department of Commerce.

“(iii) The Department of the Interior.

“(iv) The Council on Environmental Quality.

“(v) The Environmental Protection Agency.

“(B) *ESTABLISHMENT.*—The Administrator shall establish an interagency working group, to be comprised of representatives from each covered agency, to provide recommendations regarding, and to implement a strategy for improving, the consultation process required under section 7 of the Endangered Species Act of 1973 (16 U.S.C. 1536) for pesticide registration and registration review.

“(C) *DUTIES.*—The interagency working group established under subparagraph (B) shall—

“(i) analyze relevant Federal law (including regulations) and case law for purposes of providing an outline of the legal and regulatory framework for the consultation process referred to in that subparagraph, including—

“(I) requirements under this Act and the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.);

“(II) Federal case law regarding the intersection of this Act and the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.); and

“(III) Federal regulations relating to the pesticide consultation process;

“(ii) provide advice regarding methods of—

“(I) defining the scope of actions of the covered agencies that are subject to the consultation requirement referred to in subparagraph (B); and

“(II) properly identifying and classifying effects of actions of the covered agencies with respect to that consultation requirement;

“(iii) identify the obligations and limitations under Federal law of each covered agency for purposes of pro-

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viding a legal and regulatory framework for developing the recommendations referred to in subparagraph (B);

“(iv) review practices for the consultation referred to in subparagraph (B) to identify problem areas, areas for improvement, and best practices for conducting that consultation among the covered agencies;

“(v) develop scientific and policy approaches to increase the accuracy and timeliness of the process for that consultation, in accordance with requirements of this Act and the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), including—

“(I) processes to efficiently share data and coordinate analyses among the Department of Agriculture, the Department of Commerce, the Department of the Interior, and the Environmental Protection Agency;

“(II) a streamlined process for identifying which actions require no consultation, informal consultation, or formal consultation;

“(III) an approach that will provide clarity with respect to what constitutes the best scientific and commercial data available in the fields of pesticide use and ecological risk assessment, pursuant to section 7(a)(2) of the Endangered Species Act of 1973 (16 U.S.C. 1536(a)(2)); and

“(IV) approaches that enable the Environmental Protection Agency to better assist the Department of the Interior and the Department of Commerce in carrying out obligations under that section in a timely and efficient manner; and

“(vi) propose and implement a strategy to implement approaches to consultations under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) and document that strategy in a memorandum of understanding, revised regulations, or another appropriate format to promote durable cooperation among the covered agencies.

“(D) REPORTS.—

“(i) PROGRESS REPORTS.—

“(I) IN GENERAL.—Not later than 18 months after the date of enactment of this paragraph, the Administrator, in coordination with the head of each other covered agency, shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the progress of the working group in developing the recommendations under subparagraph (B).

“(II) REQUIREMENTS.—The report under this clause shall—

“(aa) reflect the perspectives of each covered agency; and

“(bb) identify areas of new consensus and continuing topics of disagreement and debate.

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“(ii) *RESULTS.*—

“(I) *IN GENERAL.*—Not later than 1 year after the date of enactment of this paragraph, the Administrator, in coordination with the head of each other covered agency, shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing—

“(aa) the recommendations developed under subparagraph (B); and

“(bb) plans for implementation of those recommendations.

“(II) *REQUIREMENTS.*—The report under this clause shall—

“(aa) reflect the perspectives of each covered agency; and

“(bb) identify areas of consensus and continuing topics of disagreement and debate, if any.

“(iii) *IMPLEMENTATION.*—Not later than 1 year after the date of submission of the report under clause (i), the Administrator, in coordination with the head of each other covered agency, shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing—

“(I) the implementation of the recommendations referred to in that clause;

“(II) the extent to which that implementation improved the consultation process referred to in subparagraph (B); and

“(III) any additional recommendations for improvements to the process described in subparagraph (B).

“(iv) *OTHER REPORTS.*—Not later than the date that is 180 days after the date of submission of the report under clause (iii), and not less frequently than once every 180 days thereafter during the 5-year period beginning on that date, the Administrator, in coordination with the head of each other covered agency, shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing—

“(I) the implementation of the recommendations referred to in that clause;

“(II) the extent to which that implementation improved the consultation process referred to in subparagraph (B); and

“(III) any additional recommendations for improvements to the process described in subparagraph (B).

“(E) *CONSULTATION WITH PRIVATE SECTOR.*—In carrying out the duties under this paragraph, the working group shall, as appropriate—

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“(i) consult with, representatives of interested industry stakeholders and nongovernmental organizations; and

“(ii) take into consideration factors, such as actual and potential differences in interest between, and the views of, those stakeholders and organizations.

“(F) *FEDERAL ADVISORY COMMITTEE ACT.*—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the working group established under this paragraph.

“(G) *SAVINGS CLAUSE.*—Nothing in this paragraph supersedes any provision of—

“(i) this Act; or

“(ii) the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), including the requirements under section 7 of that Act (16 U.S.C. 1536).”.

**SEC. 10116. STUDY ON METHYL BROMIDE USE IN RESPONSE TO AN EMERGENCY EVENT.**

(a) *DEFINITIONS.*—In this section:

(1) *EMERGENCY EVENT.*—The term “emergency event” means a situation—

(A) that occurs at a location on which a plant or commodity is grown or produced or facility providing for the storage of, or other services with respect to, a plant or commodity;

(B) for which the lack of availability of methyl bromide for a particular use would result in significant economic loss to the owner, lessee, or operator of the location or facility or the owner, grower, or purchaser of the plant or commodity; and

(C) that, in light of the specific agricultural, meteorological, or other conditions presented, requires the use of methyl bromide to control a pest or disease in the location or facility because there are no technically feasible alternatives to methyl bromide easily accessible by an entity referred to in subparagraph (B) at the time and location of the event that—

(i) are registered under the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.) for the intended use or pest to be so controlled; and

(ii) would adequately control the pest or disease presented at the location or facility.

(2) *PEST.*—The term “pest” has the meaning given the term in section 2 of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136).

(b) *STUDY.*—

(1) *IN GENERAL.*—The Secretary, in consultation with the Secretary of State and the Administrator of the Environmental Protection Agency, shall complete a study on the potential use of methyl bromide in response to an emergency event.

(2) *REQUIREMENTS.*—The study under paragraph (1) shall include—

(A) a risk-benefit analysis of authorizing State, local, or Tribal authorities, in accordance with appropriate requirements and criteria, such as the recommendations developed under subparagraph (E)—

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(i) to determine when the use of methyl bromide is required; and

(ii) to authorize such use;

(B) a risk-benefit analysis of authorizing the Secretary, in accordance with appropriate requirements and criteria, such as the recommendations developed under subparagraph (E)—

(i) to determine when the use of methyl bromide is required; and

(ii) to authorize such use;

(C) a historic estimate of situations occurring on or after September 15, 1997, that could have been deemed emergency events;

(D) a detailed assessment of the adherence of the United States to international obligations of the United States with respect to the prevention of ozone depletion; and

(E) an assessment and recommendations on appropriate requirements and criteria to be met to authorize the use of methyl bromide in response to an emergency event (including any recommendations for revising the definition of the term “emergency event” in subsection (a)) in a manner that fully complies with the Montreal Protocol on Substances that Deplete the Ozone Layer, including Decision IX/7 of the Ninth Meeting of the Conference of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer.

(c) *REPORT.*—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit a report on the study under subsection (b) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Forestry, and Nutrition of the Senate.

## **TITLE XI—CROP INSURANCE**

### **SEC. 11101. DEFINITIONS.**

Section 502(b) of the Federal Crop Insurance Act (7 U.S.C. 1502(b)) is amended—

(1) by redesignating paragraphs (6), (7), (8), (9), (10), and (11) as paragraphs (7), (8), (10), (11), (12), and (13) respectively;

(2) by inserting after paragraph (5) the following:

“(6) *COVER CROP TERMINATION.*—The term ‘cover crop termination’ means a practice that historically and under reasonable circumstances results in the termination of the growth of a cover crop.”; and

(3) by inserting after paragraph (8) (as so redesignated) the following:

“(9) *HEMP.*—The term ‘hemp’ has the meaning given the term in section 297A of the Agricultural Marketing Act of 1946.”.

### **SEC. 11102. DATA COLLECTION.**

Section 506(h)(2) of the Federal Crop Insurance Act (7 U.S.C. 1506(h)(2)) is amended—

(1) by striking “The Corporation” and inserting the following:



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“(A) *IN GENERAL.—The Corporation*”; and  
 (2) by adding at the end the following:

“(B) *NATIONAL AGRICULTURAL STATISTICS SERVICE.—Data collected by the National Agricultural Statistics Service, whether published or unpublished, shall be—*

“(i) *provided in an aggregate form to the Corporation for the purpose of providing insurance under this subtitle; and*

“(ii) *kept confidential by the Corporation in the same manner and to the same extent as is required under—*

“(I) *section 1770 of the Food Security Act of 1985 (7 U.S.C. 2276); and*

“(II) *the Confidential Information Protection and Statistical Efficiency Act of 2002 (44 U.S.C. 3501 note; Public Law 107-347).*

“(C) *NONINSURED CROP DISASTER ASSISTANCE PROGRAM.—In collecting data under this subsection, the Secretary shall ensure that—*

“(i) *appropriate data are collected through the noninsured crop disaster assistance program established by section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333); and*

“(ii) *not less frequently than annually, the Farm Service Agency shares, and the Corporation considers, the data described in clause (i).”.*

**SEC. 11103. SHARING OF RECORDS.**

*Section 506(h)(3) of the Federal Crop Insurance Act (7 U.S.C. 1506(h)(3)) is amended by inserting “applicants who have received payment under section 522(b)(2)(E),” after “divisions,”.*

**SEC. 11104. USE OF RESOURCES.**

*Section 507(f) of the Federal Crop Insurance Act (7 U.S.C. 1507(f)) is amended—*

(1) *by striking paragraphs (3) and (4) and inserting the following:*

“(3) *the Farm Service Agency, in assisting the Board in—*

“(A) *the determination of individual producer yields;*

“(B) *sharing information on beginning farmers and ranchers and veteran farmers and ranchers;*

“(C) *investigating potential waste, fraud, or abuse;*

“(D) *sharing information to support the transition of crops and counties from the noninsured crop disaster assistance program established by section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333) to insurance under this subtitle; and*

“(E) *servicing as a local point of contact for the dissemination of information on risk management options available to farmers and ranchers; and*

“(4) *other Federal agencies, in assisting the Board in any way the Board determines is necessary in carrying out this subtitle.”;*

(2) *in paragraph (2), by striking “(2) the” and inserting the following:*

“(2) *the*”; and



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(3) by striking “(f) The Board” in the matter preceding paragraph (1) and all that follows through the semicolon at the end of paragraph (1) and inserting the following:

“(f) *USE OF RESOURCES, DATA, BOARDS, AND COMMITTEES OF FEDERAL AGENCIES.*—If the Board determines it is necessary, the Board shall use, to the maximum extent practicable, the resources, data, boards, and the committees of—

“(1) the Natural Resources Conservation Service, in assisting the Board in—

“(A) the classification of land as to risk and production capability; and

“(B) the consideration of acceptable conservation practices, including good farming practices with respect to conservation (such as cover crop termination);”.

**SEC. 11105. SPECIALTY CROPS.**

(a) *SPECIALTY CROPS COORDINATOR.*—Section 507(g) of the Federal Crop Insurance Act (7 U.S.C. 1507(g)) is amended—

(1) by striking the subsection designation and all that follows through “The Corporation” in paragraph (1) and inserting the following:

“(g) *SPECIALTY CROPS COORDINATOR.*—

“(1) *IN GENERAL.*—The Corporation”; and

(2) by adding at the end the following:

“(4) *SPECIALTY CROP LIAISONS.*—The Specialty Crops Coordinator shall—

“(A) designate a Specialty Crops Liaison in each regional field office; and

“(B) share the contact information of the Specialty Crops Liaisons with specialty crop producers.

“(5) *WEBSITE.*—The Specialty Crops Coordinator shall establish a website focused on the efforts of the Corporation to provide and expand crop insurance for specialty crop producers.”.

(b) *ADDITION OF SPECIALTY CROPS AND OTHER VALUE-ADDED CROPS.*—Section 508(a)(6) of the Federal Crop Insurance Act (7 U.S.C. 1508(a)(6)) is amended—

(1) in the paragraph heading, by adding at the end the following: “(INCLUDING VALUE-ADDED CROPS)”;

(2) by striking subparagraph (A) and inserting the following:

“(A) *ANNUAL REVIEW.*—Not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, and annually thereafter, the manager of the Corporation shall prepare, to the maximum extent practicable, based on data shared from the noninsured crop disaster assistance program established by section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333), written agreements, or other data, and present to the Board not less than 1 of each of the following:

“(i) Research and development for a policy or plan of insurance for a commodity for which there is no existing policy or plan of insurance.

“(ii) Expansion of an existing policy or plan of insurance to additional counties or States, including malting barley endorsements or contract options.

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“(iii) Research and development for a new policy or plan of insurance, or endorsement, for commodities with existing policies or plans of insurance, such as dollar plans.”;

(3) in subparagraph (B), in the subparagraph heading, by striking “ADDITION OF NEW CROPS” and inserting “REPORT”;

and  
(4) by striking subparagraphs (C) and (D).

**SEC. 11106. INSURANCE PERIOD.**

Section 508(a)(2) of the Federal Crop Insurance Act (7 U.S.C. 1508(a)(2)) is amended by striking “and sweet potatoes” and inserting “sweet potatoes, and hemp”.

**SEC. 11107. COVER CROPS.**

Section 508(a) of the Federal Crop Insurance Act (7 U.S.C. 1508(a)) is amended—

(1) in paragraph (3)(B), in the subparagraph heading, by inserting “DETERMINATION REVIEW” after “PRACTICES”; and

(2) by adding at the end the following:

“(11) COVER CROPS.—

“(A) IN GENERAL.—The voluntary practice of cover cropping shall be considered a good farming practice under paragraph (3)(A)(iii) if the cover crop is terminated in accordance with subparagraph (B).

“(B) TERMINATION.—

“(i) IN GENERAL.—The termination of a cover crop shall be carried out according to—

“(I) guidelines established by the Secretary; or

“(II) an exception to the guidelines approved under clause (ii).

“(ii) EXCEPTION TO GUIDELINES.—The Corporation shall approve an exception to the guidelines under clause (i)(I) if that exception is recommended by—

“(I) the Natural Resources Conservation Service; or

“(II) an agricultural expert, as determined by the Corporation, unless the exception is determined to be unreasonable by the Corporation.

“(C) INSURABILITY OF SUBSEQUENT CROP.—Cover crop termination shall not affect the insurability of a subsequently planted insurable crop if the cover crop is terminated in accordance with subparagraph (B).

“(D) SUMMER FALLOW.—In a county in which summer fallow is an insurable practice, a cover crop in that county that is terminated in accordance with subparagraph (B) shall be considered as summer fallow for the purpose of insurability.”.

**SEC. 11108. UNDERSERVED PRODUCERS.**

Section 508(a)(7) of the Federal Crop Insurance Act (7 U.S.C. 1508(a)(7)) is amended—

(1) in the paragraph heading, by inserting “AND UNDERSERVED PRODUCERS” after “STATES”;

(2) in subparagraph (A)—

(A) by striking the designation and heading and all that follows through “the term” and inserting the following:

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“(A) *DEFINITIONS.*—*In this paragraph:*

“(i) *ADEQUATELY SERVED.*—*The term*”;

(B) *in clause (i) (as so designated), by striking “participation rate” and inserting “participation rate, by crop,”; and*

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

“(ii) *UNDERSERVED PRODUCER.*—*The term ‘underserved producer’ means an individual (including a member of an Indian Tribe) that is—*

“(I) *a beginning farmer or rancher;*

“(II) *a veteran farmer or rancher; or*

“(III) *a socially disadvantaged farmer or rancher.*”;

(3) *in subparagraph (B)—*

(A) *by striking “The Board” and inserting “Using resources and information available to the Board or the Secretary, the Board”; and*

(B) *by striking “subtitle” and inserting “subtitle, including policies and plans of insurance for underserved producers,”; and*

(4) *by striking subparagraph (C) and inserting the following:*

“(C) *REPORT.*—

“(i) *IN GENERAL.*—*Not later than 30 days after completion of the review under subparagraph (B), and not less frequently than once every 3 years thereafter, the Board shall make publicly available and submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the results of the review.*

“(ii) *RECOMMENDATIONS.*—*The report under clause (i) shall include recommendations to increase participation in States and among underserved producers that are not adequately served by the policies and plans of insurance, including any plans for administrative action or recommendations for Congressional action.*”.

**SEC. 11109. TREATMENT OF FORAGE AND GRAZING.**

(a) *AVAILABILITY OF CATASTROPHIC RISK PROTECTION FOR CROPS AND GRASSES USED FOR GRAZING.*—*Section 508(b)(1) of the Federal Crop Insurance Act (7 U.S.C. 1508(b)(1)) is amended—*

(1) *by striking “(A) IN GENERAL.—Except as provided in subparagraph (B), the” and inserting “The”; and*

(2) *by striking subparagraph (B).*

(b) *COVERAGE FOR FORAGE AND GRAZING.*—*The Federal Crop Insurance Act is amended by inserting after section 508C (7 U.S.C. 1508c) the following new section:*

**“SEC. 508D. COVERAGE FOR FORAGE AND GRAZING.**

*“Notwithstanding section 508A, and in addition to any other available coverage, for crops that can be both grazed and mechanically harvested on the same acres during the same growing season, producers shall be allowed to purchase separate policies for each intended use, as determined by the Corporation, and any indemnity*

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*paid under those policies for each intended use shall not be considered to be for the same loss for the purposes of section 508(n)."*

**SEC. 11110. ADMINISTRATIVE BASIC FEE.**

*Section 508(b)(5)(A) of the Federal Crop Insurance Act (7 U.S.C. 1508(b)(5)(A)) is amended by striking "\$300" and inserting "\$655".*

**SEC. 11111. ENTERPRISE UNITS.**

*Section 508(e)(5) of the Federal Crop Insurance Act (7 U.S.C. 1508(e)(5)) is amended by adding at the end the following:*

*"(E) ENTERPRISE UNITS ACROSS COUNTY LINES.—The Corporation may allow a producer to establish a single enterprise unit by combining an enterprise unit with—*

*"(i) 1 or more other enterprise units in 1 or more other counties; or*

*"(ii) all basic units and all optional units in 1 or more other counties."*

**SEC. 11112. CONTINUED AUTHORITY.**

*Section 508(g) of the Federal Crop Insurance Act (7 U.S.C. 1508(g)) is amended by adding at the end the following new paragraph:*

*"(6) CONTINUED AUTHORITY.—*

*"(A) IN GENERAL.—The Corporation shall establish—*

*"(i) underwriting rules that limit the decrease in the actual production history of a producer, at the election of the producer, to not more than 10 percent of the actual production history of the previous crop year provided that the production decline was the result of drought, flood, natural disaster, or other insurable loss (as determined by the Corporation); and*

*"(ii) actuarially sound premiums to cover additional risk.*

*"(B) OTHER AUTHORITY.—The authority provided under subparagraph (A) is in addition to any other authority that adjusts the actual production history of the producer under this Act.*

*"(C) EFFECT.—Nothing in this paragraph shall be construed to require a change in the administration of any provision of this Act as the Act was administered for the 2018 reinsurance year."*

**SEC. 11113. SUBMISSION OF POLICIES AND MATERIALS TO BOARD.**

*Section 508(h) of the Federal Crop Insurance Act (7 U.S.C. 1508(h)) is amended—*

*(1) in paragraph (1)(B)—*

*(A) by redesignating clauses (i) through (iii) as subclauses (I) through (III), respectively, and indenting appropriately;*

*(B) in the matter preceding subclause (I) (as so redesignated), by striking "The Corporation shall" and inserting the following:*

*"(i) IN GENERAL.—The Corporation shall";*

*(C) in clause (i)(I) (as so redesignated), by inserting "subject to clause (ii)," before "will likely"; and*

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

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- “(ii) **WAIVER FOR HEMP.**—*The Corporation may waive the viability and marketability requirement under clause (i)(I) in the case of a policy or pilot program relating to the production of hemp.*”; and
- (2) in paragraph (3)(C)—
- (A) in clause (ii), by striking “and” at the end;
- (B) in clause (iii), by striking the period at the end and inserting “; and”; and
- (C) by adding at the end the following:
- “(iv) in the case of reviewing policies and other materials relating to the production of hemp, may waive the viability and marketability requirement under subparagraph (A)(ii)(I).”.

**SEC. 11114. CROP PRODUCTION ON NATIVE SOD.**

Section 508(o)(2)(A) of the Federal Crop Insurance Act (7 U.S.C. 1508(o)(2)(A)) is amended—

- (1) by striking “During the” and inserting the following:
- “(i) **FIRST 4 CROP YEARS.**—*During the*”;
- (2) in clause (i) (as so designated), by striking “after the date of enactment of the Agricultural Act of 2014” and inserting “beginning on February 8, 2014, and ending on the date of enactment of the Agriculture Improvement Act of 2018”; and
- (3) by adding at the end the following:
- “(ii) **SUBSEQUENT CROP YEARS.**—*Native sod acreage that has been tilled for the production of an insurable crop after the date of enactment of the Agriculture Improvement Act of 2018 shall be subject to a reduction in benefits under this subtitle as described in this paragraph for not more than 4 cumulative years—*
- “(I) during the first 10 years after initial tillage; and
- “(II) during each of which a crop on that acreage is insured under subsection (c).”.

**SEC. 11115. USE OF NATIONAL AGRICULTURAL STATISTICS SERVICE DATA TO COMBAT WASTE, FRAUD, AND ABUSE.**

Section 515 of the Federal Crop Insurance Act (7 U.S.C. 1515) is amended—

- (1) in subsection (d)(1)—
- (A) in subparagraph (B), by striking “and” at the end;
- (B) in subparagraph (C), by striking the period at the end and inserting “; and”; and
- (C) by adding at the end the following:
- “(D) using published aggregate data from the National Agricultural Statistics Service or any other data source to—
- “(i) detect yield disparities or other data anomalies that indicate potential fraud; and
- “(ii) target the relevant counties, crops, regions, companies, or agents associated with that potential fraud for audits and other enforcement actions.”; and
- (2) in subsection (f)(2)(A), by striking “pursuant to” each place it appears and inserting “under”.

**SEC. 11116. SUBMISSION OF INFORMATION TO CORPORATION.**

Section 515(g) of the Federal Crop Insurance Act (7 U.S.C. 1515(g)) is amended—



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(1) in paragraph (1), by adding at the end the following:

“(D) The actual production history to be used to establish insurable yields.”; and

(2) in paragraph (2)—

(A) by striking “The information required by paragraph (1)” and inserting the following:

“(A) *IN GENERAL.*—The information required to be submitted under subparagraphs (A) through (C) of paragraph (1)”; and

(B) by adding at the end the following:

“(B) *ACTUAL PRODUCTION HISTORY.*—

“(i) *IN GENERAL.*—The information required to be submitted under paragraph (1)(D) with respect to an applicable policy or plan of insurance for a covered commodity (as defined in section 1111 of the Agricultural Act of 2014 (7 U.S.C. 9011)) shall be submitted so as to ensure receipt by the Corporation not later than the Saturday of the week containing the calendar day that is 30 days after the applicable production reporting date for the crop to be insured.

“(ii) *CORRECTION OF ERRORS.*—Nothing in clause (i) limits the ability of an approved insurance provider to correct any error in the information submitted under paragraph (1)(D) after receipt of the information by the Corporation in accordance with clause (i).”.

**SEC. 11117. CONTINUING EDUCATION FOR LOSS ADJUSTERS AND AGENTS.**

Section 515 of the Federal Crop Insurance Act (7 U.S.C. 1515) is amended—

(1) by redesignating subsection (k) as subsection (l); and

(2) by inserting after subsection (j) the following:

“(k) *CONTINUING EDUCATION FOR LOSS ADJUSTERS AND AGENTS.*—

“(1) *IN GENERAL.*—The Corporation shall establish requirements for continuing education for loss adjusters and agents of approved insurance providers.

“(2) *REQUIREMENTS.*—The requirements for continuing education described in paragraph (1) shall ensure that loss adjusters and agents of approved insurance providers are familiar with—

“(A) the policies and plans of insurance available under this Act, including the regulations promulgated to carry out this Act;

“(B) efforts to promote program integrity through the elimination of waste, fraud, and abuse; and

“(C) other aspects of adjusting, delivering, and servicing policies and plans of insurance by adjusters and agents, as determined by the Secretary, including conservation activities and agronomic practices (including organic and sustainable practices) that are common and appropriate to the area in which the insured crop being inspected is produced.”.



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**SEC. 11118. PROGRAM ADMINISTRATION.**

*Section 516(b)(2)(C)(i) of the Federal Crop Insurance Act (7 U.S.C. 1516(b)(2)(C)(i)) is amended by striking “\$9,000,000” and inserting “\$7,000,000”.*

**SEC. 11119. AGRICULTURAL COMMODITY.**

*Section 518 of the Federal Crop Insurance Act (7 U.S.C. 1518) is amended by inserting “hemp,” before “aquacultural species”.*

**SEC. 11120. MAINTENANCE OF POLICIES.**

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

*(1) in paragraph (1), by amending subparagraph (B) to read as follows:*

*“(B) REIMBURSEMENT.—*

*“(i) IN GENERAL.—An applicant who submits a policy under section 508(h) shall be eligible for the reimbursement of reasonable research and development costs if the policy is approved by the Board for sale to producers.*

*“(ii) REASONABLE COSTS.—For the purpose of reimbursing research and development and maintenance costs under this section, costs of the applicant shall be considered reasonable costs if the costs are based on—*

*“(I) for any employees or contracted personnel, wage rates equal to not more than 2 times the hourly wage rate plus benefits, as provided by the Bureau of Labor Statistics for the year in which such costs are incurred, calculated using the formula applied to an applicant by the Corporation in reviewing proposed project budgets under this section on October 1, 2016; and*

*“(II) other actual documented costs incurred by the applicant.”; and*

*(2) in paragraph (4)—*

*(A) in subparagraph (C), by striking “approved insurance provider” and inserting “applicant”; and*

*(B) in subparagraph (D)—*

*(i) in clause (i), by striking “determined by the approved insurance provider” and inserting “determined by the applicant”; and*

*(ii) by adding at the end the following:*

*“(iii) REVIEW.—After the Board approves the amount of a fee under clause (ii), the fee shall remain in effect and not be reviewed by the Board unless—*

*“(I) the applicant petitions the Board for reconsideration of the fee;*

*“(II) a substantial change is made to the policy, as determined by the Board; or*

*“(III) there is substantial evidence that the fee is inhibiting sales or use of the policy, as determined by the Board.”.*

*(b) APPLICABILITY.—*

*(1) IN GENERAL.—The amendments made by this section shall apply to reimbursement requests made on or after October 1, 2016.*

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(2) *RESUBMISSION OF DENIED REQUEST.*—An applicant that was denied all or a portion of a reimbursement request under paragraph (1) of section 522(b) of the Federal Crop Insurance Act (7 U.S.C. 1522(b)) during the period between October 1, 2016, and the date of the enactment of this Act shall be given an opportunity to resubmit such request.

**SEC. 11121. REIMBURSEMENT OF RESEARCH, DEVELOPMENT, AND MAINTENANCE COSTS.**

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

(1) in paragraph (2), by adding at the end the following:

“(K) *WAIVER FOR HEMP.*—The Board may waive the viability and marketability requirements under this paragraph in the case of research and development relating to a policy to insure the production of hemp.”; and

(2) in paragraph (3)—

(A) by striking “The Corporation” and inserting the following:

“(A) *IN GENERAL.*—Subject to subparagraph (B), the Corporation”; and

(B) by adding at the end the following:

“(B) *WAIVER FOR HEMP.*—The Corporation may waive the marketability requirement under subparagraph (A) in the case of research and development relating to a policy to insure the production of hemp.”.

**SEC. 11122. RESEARCH AND DEVELOPMENT AUTHORITY.**

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

(1) by striking paragraphs (7) through (18) and (20) through (23);

(2) by redesignating paragraphs (19) and (24) as paragraphs (7) and (8), respectively;

(3) in paragraph (7) (as so redesignated) (entitled “Whole farm diversified risk management insurance plan”), by adding at the end the following:

“(E) *REVIEW OF MODIFICATIONS TO IMPROVE EFFECTIVENESS.*—

“(i) *IN GENERAL.*—Not later than 18 months after the date of enactment of the Agriculture Improvement Act of 2018—

“(I) the Corporation shall hold stakeholder meetings to solicit producer and agent feedback; and

“(II) the Board shall—

“(aa) review procedures and paperwork requirements on agents and producers; and

“(bb) modify procedures and requirements, as appropriate, to decrease burdens and increase flexibility and effectiveness.

“(ii) *FACTORS.*—In carrying out items (aa) and (bb) of subclause (i)(II), the Board shall consider—

“(I) removing caps on nursery and livestock production;

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“(II) allowing a waiver to expand operations, especially for small and beginning farmers;

“(III) minimizing paperwork for producers and agents;

“(IV) implementing an option for producers with less than \$1,000,000 in gross revenue that requires significantly less paperwork and record-keeping;

“(V) developing and using alternative records such as time-stamped photographs or technology applications to document planting and production history;

“(VI) treating the different growth stages of aquaculture species as separate crops to recognize the difference in perils at different phases of growth;

“(VII) moderating the impacts of disaster years on historic revenue, such as—

“(aa) using an average of the historic and projected revenue;

“(bb) counting indemnities as historic revenue for loss years;

“(cc) counting payments under section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333) as historic revenue for loss years; or

“(dd) using an assigned yield floor similar to the limitation described in section 508(g)(6)(A)(i), as determined by the Secretary;

“(VIII) improving agent training and outreach to underserved regions and sectors such as small dairy farms; and

“(IX) providing coverage and indemnification of insurable losses—

“(aa) after the losses exceed the deductible; and

“(bb) up to the maximum amount of total coverage.

“(F) BEGINNING FARMER OR RANCHER DEFINED.—Notwithstanding section 502(b)(3), with respect to plans described under this paragraph, the term ‘beginning farmer or rancher’ means a farmer or rancher who has not actively operated and managed a farm or ranch with a bona fide insurable interest in a crop or livestock as an owner-operator, landlord, tenant, or sharecropper for more than 10 crop years.”; and

(4) by inserting after paragraph (8) (as so redesignated) the following:

“(9) TROPICAL STORM OR HURRICANE INSURANCE.—

“(A) IN GENERAL.—The Corporation shall carry out research and development, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out research and development, regarding a policy to insure crops (including tomatoes, peppers, and citrus) against losses due to a tropical storm or hurricane.

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*“(B) RESEARCH AND DEVELOPMENT.—Research and development under subparagraph (A) shall—*

*“(i) evaluate the effectiveness of risk management tools for a low frequency and catastrophic loss weather event; and*

*“(ii) result in a policy that provides protection for at least 1 of the following:*

*“(I) Production loss.*

*“(II) Revenue loss.*

*“(C) REPORT.—Not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—*

*“(i) the results of the research and development carried out under this paragraph; and*

*“(ii) any recommendations with respect to those results.*

*“(10) QUALITY LOSS.—*

*“(A) IN GENERAL.—The Corporation shall carry out research and development, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out research and development, regarding the establishment of each of the following alternative methods of adjusting for quality losses:*

*“(i) A method that does not impact the actual production history of a producer.*

*“(ii) A method that provides that, in circumstances in which a producer has suffered a quality loss to the insured crop of the producer that is insufficient to trigger an indemnity payment, the producer may elect to exclude that quality loss from the actual production history of the producer.*

*“(iii) 1 or more methods that combine the methods described in clauses (i) and (ii).*

*“(B) REQUIREMENTS.—Notwithstanding subsections (g) and (m) of section 508, any method developed under subparagraph (A) that is used by the Corporation shall be—*

*“(i) optional for a producer to use; and*

*“(ii) offered at an actuarially sound premium rate.*

*“(C) REPORT.—Not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—*

*“(i) the results of the research and development carried out under subparagraph (A); and*

*“(ii) any recommendations with respect to those results.*

*“(11) CITRUS.—*

*“(A) IN GENERAL.—The Corporation shall carry out research and development, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out re-*

search and development, regarding the insurance of citrus fruit commodities and commodity types, including research and development of—

“(i) improvements to 1 or more existing policies, including the whole-farm revenue protection pilot policy;

“(ii) alternative methods of insuring revenue for citrus fruit commodities and commodity types; and

“(iii) the development of new, or expansion of existing, revenue policies for citrus fruit commodities and commodity types.

“(B) REPORT.—Not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

“(i) the results of the research and development carried out under subparagraph (A); and

“(ii) any recommendations with respect to those results.

“(12) HOPS.—

“(A) IN GENERAL.—The Corporation shall carry out research and development, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out research and development, regarding a policy to insure the production of hops or revenue derived from the production of hops.

“(B) REPORT.—Not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

“(i) the results of the research and development carried out under subparagraph (A); and

“(ii) any recommendations with respect to those results.

“(13) SUBSURFACE IRRIGATION PRACTICES.—

“(A) IN GENERAL.—The Corporation shall carry out research and development, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out research and development, regarding the creation of a separate practice for subsurface irrigation, including the establishment of a separate transitional yield within a county that is reflective of the average gain in productivity and yield associated with the installation of a subsurface irrigation system.

“(B) REPORT.—Not later than 18 months after the date of enactment of the Agriculture Improvement Act of 2018, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

“(i) the results of the research and development carried out under subparagraph (A); and



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“(ii) any recommendations with respect to those results.

“(14) GRAIN SORGHUM.—

“(A) IN GENERAL.—The Corporation shall carry out research and development, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out research and development—

“(i) regarding improvements to 1 or more policies to insure irrigated grain sorghum;

“(ii) regarding alternative methods for producers with not more than 4 years of production history to insure irrigated grain sorghum; and

“(iii) to assess, by county, the difference in the rate, average yield, and coverage level of grain sorghum policies compared to policies for other feed grains in that county.

“(B) REPORT.—Not later than 18 months after the date of enactment of the Agriculture Improvement Act of 2018, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

“(i) the results of the research and development carried out under subparagraph (A); and

“(ii) any recommendations with respect to those results.

“(15) LIMITED IRRIGATION PRACTICES.—

“(A) AUTHORITY.—The Corporation shall—

“(i) consider expanding the availability of the limited irrigation insurance program to neighboring and similarly situated States (such as the States of Colorado and Nebraska), as determined by the Secretary;

“(ii) carry out research, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out research, on the marketability of the existing limited irrigation insurance program; and

“(iii) make recommendations on how to improve participation in that program.

“(B) RESEARCH.—In carrying out research under subparagraph (A), a qualified person shall—

“(i) collaborate with researchers on the subjects of—

“(I) reduced irrigation practices or limited irrigation practices; and

“(II) expected yield reductions following the application of reduced irrigation;

“(ii) collaborate with State and Federal officials responsible for the collection of water and the regulation of water use for the purpose of irrigation;

“(iii) provide recommendations to encourage producers to carry out limited irrigation practices or reduced irrigation and water conservation practices; and

“(iv) develop web-based applications that will streamline access to coverage for producers electing to conserve water use on irrigated crops.



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“(C) REPORT.—Not later than 18 months after the date of enactment of the Agriculture Improvement Act of 2018, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

“(i) the results of the research carried out under subparagraphs (A) and (B);

“(ii) any recommendations to encourage producers to carry out limited irrigation practices or reduced irrigation and water conservation practices; and

“(iii) the actions taken by the Corporation to carry out the recommendations described in clause (ii).

“(16) INSURABLE IRRIGATION PRACTICES FOR RICE.—

“(A) IN GENERAL.—The Corporation shall carry out research and development, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out research and development, to include new and innovative irrigation practices under the current rice policy or the development of a distinct policy endorsement rated for rice produced using—

“(i) alternate wetting and drying practices (also referred to as ‘intermittent flooding’); and

“(ii) furrow irrigation practices.

“(B) REPORT.—Not later than 18 months after the date of enactment of the Agriculture Improvement Act of 2018, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

“(i) the results of the research and development carried out under paragraph (1); and

“(ii) any recommendations with respect to those results.

“(17) GREENHOUSE POLICY.—

“(A) IN GENERAL.—

“(i) RESEARCH AND DEVELOPMENT.—The Corporation shall carry out research and development, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out research and development, regarding a policy to insure in a controlled environment such as a greenhouse—

“(I) the production of floriculture, nursery, and bedding plants;

“(II) the establishment of cuttings or tissue culture in a growing medium; or

“(III) other similar production, as determined by the Secretary.

“(ii) AVAILABILITY OF POLICY.—Notwithstanding the last sentence of section 508(a)(1), and section 508(a)(2), the Corporation shall make a policy described in clause (i) available if the requirements of section 508(h) are met.

“(B) RESEARCH AND DEVELOPMENT DESCRIBED.—Research and development described in subparagraph (A)(i)

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*shall evaluate the effectiveness of policies for the production of plants in a controlled environment, including policies that—*

*“(i) are based on the risk of—*

*“(I) plant diseases introduced from the environment;*

*“(II) contaminated cuttings, seedlings, or tissue culture; or*

*“(III) Federal or State quarantine or destruction orders associated with the contaminated items described in subclause (II);*

*“(ii) consider other causes of loss applicable to a controlled environment, such as a loss of electricity due to weather;*

*“(iii) consider appropriate best practices to minimize the risk of loss;*

*“(iv) consider whether to provide coverage for various types of plants under 1 policy or to provide coverage for 1 species or type of plant per policy;*

*“(v) have streamlined reporting and paperwork requirements that take into account short propagation schedules, variable crop years, and the variety of plants that may be produced in a single facility; and*

*“(vi) provide protection for revenue losses.*

*“(C) REPORT.—Not later than 2 years after the date of enactment of the Agriculture Improvement Act of 2018, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—*

*“(i) the results of the research and development carried out under subparagraphs (A)(i) and (B); and*

*“(ii) any recommendations with respect to those results.*

*“(18) LOCAL FOODS.—*

*“(A) IN GENERAL.—*

*“(i) FEASIBILITY STUDY.—The Corporation shall carry out a study to determine the feasibility of, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out a study to determine the feasibility of, a policy to insure production—*

*“(I) of floriculture, fruits, vegetables, poultry, livestock, or the products of floriculture, fruits, vegetables, poultry, or livestock; and*

*“(II) that is targeted toward local consumers and markets.*

*“(ii) AVAILABILITY OF POLICY.—Notwithstanding the last sentence of section 508(a)(1), and section 508(a)(2), the Corporation shall make available a policy described in clause (i) if—*

*“(I) the results of the feasibility study under clause (i) are viable; and*

*“(II) the requirements of section 508(h) are met.*

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*“(B) FEASIBILITY STUDY DESCRIBED.—The feasibility study described in subparagraph (A)(i) shall evaluate the effectiveness of policies for production targeted toward local consumers and markets, including policies that—*

*“(i) consider small-scale production in various areas, including urban, suburban, and rural areas;*

*“(ii) consider a variety of marketing strategies;*

*“(iii) allow for production in soil and in alternative systems such as vertical systems, greenhouses, rooftops, or hydroponic systems;*

*“(iv) consider the price premium when accounting for production or revenue losses;*

*“(v) consider whether to provide coverage—*

*“(I) for various types of production under 1 policy; and*

*“(II) for 1 species or type of plant per policy;*

*and*

*“(vi) have streamlined reporting and paperwork requirements.*

*“(C) REPORT.—Not later than 2 years after the date of enactment of the Agriculture Improvement Act of 2018, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that—*

*“(i) examines whether a version of existing policies such as the whole-farm revenue protection insurance plan may be tailored to provide improved coverage for producers of local foods;*

*“(ii) describes the results of the feasibility study carried out under subparagraph (A)(i); and*

*“(iii) includes any recommendations with respect to those results.*

*“(19) HIGH-RISK, HIGHLY PRODUCTIVE BATTURE LAND POLICY.—*

*“(A) IN GENERAL.—*

*“(i) RESEARCH AND DEVELOPMENT.—The Corporation shall carry out research and development, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out research and development, regarding a policy to insure producers of corn, cotton, and soybeans—*

*“(I) with operations on highly productive batture land within the Lower Mississippi River Valley;*

*“(II) that have a history of production of not less than 5 years; and*

*“(III) that have been impacted by more frequent flooding over the past 10 years due to sedimentation or federally constructed engineering improvements.*

*“(ii) AVAILABILITY OF POLICY.—Notwithstanding the last sentence of section 508(a)(1), and section 508(a)(2), the Corporation shall make a policy de-*

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*scribed in clause (i) available if the requirements of section 508(h) are met.*

*“(B) RESEARCH AND DEVELOPMENT DESCRIBED.—Research and development described in subparagraph (A)(i) shall evaluate the feasibility of less cost-prohibitive policies for batture-land producers in high risk areas, including policies that—*

*“(i) consider premium rate adjustments;*

*“(ii) consider automatic yield exclusion for consecutive-year losses; and*

*“(iii) allow for flexibility of final plant dates and prevent plant regulations.*

*“(C) REPORT.—Not later than 2 years after the date of enactment of the Agriculture Improvement Act of 2018, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that—*

*“(i) examines whether a version of existing policies may be tailored to provide improved coverage for batture-land producers;*

*“(ii) describes the results of the research and development carried out under subparagraphs (A) and (B); and*

*“(iii) includes any recommendations with respect to those results.”.*

**SEC. 11123. FUNDING FOR RESEARCH AND DEVELOPMENT.**

*Section 522(e)(2)(A) of the Federal Crop Insurance Act (7 U.S.C. 1522(e)(2)(A)) is amended—*

*(1) by striking “not more than \$12,500,000 for fiscal year 2008 and each subsequent fiscal year.” and inserting the following: “not more than—*

*“(i) \$12,500,000 for each of fiscal years 2008 through 2018; and”; and*

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

*“(ii) \$8,000,000 for fiscal year 2019 and each fiscal year thereafter.”.*

**SEC. 11124. TECHNICAL AMENDMENT TO PILOT PROGRAMS.**

*Section 523(i)(3)(A) of the Federal Crop Insurance Act (7 U.S.C. 1523(i)(3)(A)) is amended by adding a period at the end.*

**SEC. 11125. EDUCATION AND RISK MANAGEMENT ASSISTANCE.**

*(a) EDUCATION ASSISTANCE.—Section 524(a) of the Federal Crop Insurance Act (7 U.S.C. 1524(a)) is amended—*

*(1) in paragraph (1)—*

*(A) in the matter preceding subparagraph (A), by striking “paragraph (5)” and all that follows through “the Secretary” in subparagraph (B) and inserting “paragraph (4), the Secretary”; and*

*(B) by striking “paragraph (3)” and inserting “paragraph (2)”;*

*(2) by striking paragraph (2);*

*(3) by redesignating paragraphs (3) through (5) as paragraphs (2) through (4), respectively;*

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(4) in paragraph (2) (as so redesignated), in subparagraph (A)—

(A) by striking “about the full range of” and inserting “and providing technical assistance to agricultural producers on a full range of farm viability and”;

(B) by inserting “business planning, enterprise analysis, transfer and succession planning, management coaching, market assessment, cash flow analysis,” after “insurance,”; and

(C) by inserting “conservation activities,” after “benchmarking,”;

(5) in paragraph (3) (as so redesignated)—

(A) in the matter preceding subparagraph (A)—

(i) by striking “programs established under paragraphs (2) and (3)” and inserting “program established under paragraph (2)”;

(ii) by inserting “farm viability and” after “emphasis on”;

(iii) by inserting “, business planning and technical assistance, market assessment, transfer and succession planning, and crop insurance participation” after “benchmarking”;

(B) in subparagraph (D)(i), by striking “and” at the end;

(C) by striking subparagraph (E) and inserting the following:

“(iii) are converting production and marketing systems to pursue new markets; and

“(E) producers that are underserved by the Federal crop insurance program established under this subtitle, as determined by the Corporation.”; and

(6) in paragraph (4) (as so redesignated)—

(A) in the matter preceding subparagraph (A), by striking “transferred” and all that follows through “for the partnerships” in subparagraph (B) and inserting “transferred for the partnerships”;

(B) by striking “paragraph (3), \$5,000,000 for fiscal year 2001” and inserting “paragraph (2), \$10,000,000 for fiscal year 2019”;

(C) by striking the period at the end and inserting “, of which not less than \$5,000,000 shall be used to carry out paragraph (3)(E).”.

(b) **CONFORMING AMENDMENTS.**—Section 251(f)(1)(D)(ii) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6971(f)(1)(D)(ii)) is amended—

(1) by striking “section 524(a)(3)” and inserting “section 524(a)”;

(2) by striking “(7 U.S.C. 1524(a)(3))” and inserting “(7 U.S.C. 1524(a))”.

**SEC. 11126. REPEAL OF CROPLAND REPORT ANNUAL UPDATES.**

Section 11014 of the Agricultural Act of 2014 (Public Law 113–79; 128 Stat. 963) is amended by striking subsection (c).

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## **TITLE XII—MISCELLANEOUS**

### **Subtitle A—Livestock**

#### **SEC. 12101. ANIMAL DISEASE PREVENTION AND MANAGEMENT.**

(a) *DEFINITION.*—Section 10403 of the Animal Health Protection Act (7 U.S.C. 8302) is amended by adding at the end the following:

“(18) *VETERINARY COUNTERMEASURE.*—The term ‘veterinary countermeasure’ means any biological product (including an animal vaccine or diagnostic), pharmaceutical product (including a therapeutic), non-pharmaceutical product (including a disinfectant), or other product or equipment to prevent, detect, respond to, or mitigate harm to public or animal health resulting from, animal pests or diseases.”

(b) *ANIMAL DISEASE PREPAREDNESS AND RESPONSE.*—Section 10409A of the Animal Health Protection Act (7 U.S.C. 8308A) is amended—

(1) by striking the section heading and inserting “**ANIMAL DISEASE PREVENTION AND MANAGEMENT**”;

(2) in subsection (a), by striking “(a) *DEFINITION OF ELIGIBLE LABORATORY.*—In this section,” and inserting the following: “(a) **NATIONAL ANIMAL HEALTH LABORATORY NETWORK.**—

“(1) *DEFINITION OF ELIGIBLE LABORATORY.*—In this subsection,”;

(3) in subsection (b)—

(A) in paragraph (2), by redesignating subparagraphs (A) through (E) as clauses (i) through (v), respectively, and moving the margins of such clauses (as so redesignated) 2 ems to the right;

(B) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (C), respectively, and moving the margins of such subparagraphs (as so redesignated) 2 ems to the right;

(4) by redesignating subsections (b) and (c) as paragraphs (2) and (3), respectively, and moving the margins of such paragraphs (as so redesignated) 2 ems to the right; and

(5) by adding at the end the following:

“(b) **NATIONAL ANIMAL DISEASE PREPAREDNESS AND RESPONSE PROGRAM.**—

“(1) *PROGRAM REQUIRED.*—The Secretary shall establish a program, to be known as the National Animal Disease Preparedness and Response Program (referred to in this section as ‘the Program’), to address the increasing risk of the introduction and spread within the United States of animal pests and diseases affecting the economic interests of the livestock and related industries of the United States, including the maintenance and expansion of export markets.

“(2) *PROGRAM ACTIVITIES.*—Activities under the Program shall include, to the extent practicable, the following:

“(A) Enhancing animal pest and disease analysis and surveillance.

“(B) Expanding outreach and education.

“(C) Targeting domestic inspection activities at vulnerable points in the safeguarding continuum.



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*“(D) Enhancing and strengthening threat identification technology.*

*“(E) Improving biosecurity.*

*“(F) Enhancing emergency preparedness and response capabilities, including training additional emergency response personnel.*

*“(G) Conducting technology development to enhance electronic sharing of animal health data for risk analysis between State and Federal animal health officials.*

*“(H) Enhancing the development and effectiveness of animal health technologies to treat and prevent animal disease, including—*

*“(i) veterinary biologics and diagnostics;*

*“(ii) animal drugs for minor uses and minor species;*

*“(iii) animal medical devices; and*

*“(iv) emerging veterinary countermeasures.*

*“(I) Such other activities as determined appropriate by the Secretary, in consultation with eligible entities specified in paragraph (3).*

*“(3) ELIGIBLE ENTITIES.—To carry out the Program, the Secretary shall offer to enter into cooperative agreements or other legal instruments, as authorized under section 10413 (referred to in this section as ‘agreements’) with eligible entities, to be selected by the Secretary, which may include any of the following entities, either individually or in combination:*

*“(A) A State department of agriculture.*

*“(B) The office of the chief animal health official of a State.*

*“(C) An entity eligible to receive funds under a capacity and infrastructure program (as defined in section 251(f)(1)(C) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6971(f)(1)(C))).*

*“(D) A college of veterinary medicine, including a veterinary emergency team at such college.*

*“(E) A State or national livestock producer organization with direct and significant economic interest in livestock production.*

*“(F) A State emergency agency.*

*“(G) A State, national, allied, or regional veterinary organization or specialty board recognized by the American Veterinary Medical Association.*

*“(H) An Indian Tribe.*

*“(I) A Federal agency.*

*“(4) SPECIAL FUNDING CONSIDERATIONS.—In entering into agreements under this subsection, the Secretary shall give priority to applications submitted by—*

*“(A) a State department of agriculture or an office of the chief animal health official of a State; or*

*“(B) an eligible entity that will carry out program activities in a State or region in which—*

*“(i) an animal pest or disease is a Federal concern;*

*or*

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*“(ii) the Secretary determines a potential exists for the spread of an animal pest or disease after taking into consideration—*

*“(I) the agricultural industries in the State or region;*

*“(II) factors contributing to animal pest or disease in the State or region, such as the climate, natural resources, and geography of, and native and exotic wildlife species and other disease vectors in, the State or region; and*

*“(III) the movement of animals in the State or region.*

*“(5) CONSULTATION.—For purposes of setting priorities under this subsection, the Secretary shall consult with eligible entities specified in paragraph (3). The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to consultation carried out under this paragraph.*

*“(6) APPLICATION.—*

*“(A) IN GENERAL.—An eligible entity specified in paragraph (3) seeking to enter into an agreement under the Program shall submit to the Secretary an application containing such information as the Secretary may require.*

*“(B) NOTIFICATION.—The Secretary shall notify each applicant of—*

*“(i) the requirements to be imposed on the eligible entity that is the recipient of funds under the Program for auditing of, and reporting on, the use of such funds; and*

*“(ii) the criteria to be used to ensure activities supported using such funds are based on sound scientific data or thorough risk assessments.*

*“(C) NON-FEDERAL CONTRIBUTIONS.—When deciding whether to enter into an agreement under the Program with an eligible entity described in paragraph (3), the Secretary—*

*“(i) may take into consideration an eligible entity’s ability to contribute non-Federal funds to carry out such an agreement; and*

*“(ii) shall not require such an eligible entity to make such a contribution as a condition to enter into an agreement.*

*“(7) USE OF FUNDS.—*

*“(A) USE CONSISTENT WITH TERMS OF COOPERATIVE AGREEMENT.—The recipient of funds under the Program shall use the funds for the purposes and in the manner provided in the agreement under which the funds are provided.*

*“(B) SUB-AGREEMENT.—Nothing in this section prevents an eligible entity from using funds received under the Program to enter into sub-agreements with another eligible entity or with a political subdivision of a State that has legal responsibilities relating to animal disease prevention, surveillance, or rapid response.*

*“(8) REPORTING REQUIREMENT.—Not later than 90 days after the date of completion of an activity conducted using*

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*funds provided under the Program, the recipient of such funds shall submit to the Secretary a report that describes the purposes and results of the activities.”*

*(c) NATIONAL ANIMAL VACCINE AND VETERINARY COUNTERMEASURES BANK.—Section 10409A of the Animal Health Protection Act (7 U.S.C. 8308A), as amended by subsection (b), is further amended by inserting after subsection (b) (as added by subsection (b)(5) of this section) the following:*

*“(c) NATIONAL ANIMAL VACCINE BANK.—*

*“(1) ESTABLISHMENT.—The Secretary shall establish a national animal vaccine and veterinary countermeasures bank (to be known as the National Animal Vaccine and Veterinary Countermeasures Bank and referred to in this subsection as the ‘Vaccine Bank’) to benefit the domestic interests of the United States.*

*“(2) ELEMENTS OF VACCINE BANK.—Through the Vaccine Bank, the Secretary shall—*

*“(A) maintain sufficient quantities of veterinary countermeasures to appropriately and rapidly respond to the most damaging animal diseases affecting or with potential to affect human health or the economy of the United States; and*

*“(B) leverage, when appropriate, the mechanisms and infrastructure that have been developed for the management, storage, and distribution of the National Veterinary Stockpile.*

*“(3) PRIORITY FOR RESPONSE TO FOOT AND MOUTH DISEASE.—The Secretary shall prioritize the acquisition and maintenance of sufficient quantities of foot and mouth disease vaccine and accompanying diagnostic products for the Vaccine Bank. As part of such prioritization, the Secretary may offer to enter into one or more contracts with one or more entities that are capable of producing foot and mouth disease vaccine and that have surge production capacity of the vaccine.”*

*(d) FUNDING.—Section 10409A of the Animal Health Protection Act (7 U.S.C. 8308A), as amended by subsections (b) and (c), is further amended by striking subsection (d) and inserting the following:*

*“(d) FUNDING.—*

*“(1) MANDATORY FUNDING.—*

*“(A) FISCAL YEARS 2019 THROUGH 2022.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section \$120,000,000 for the period of fiscal years 2019 through 2022, of which not less than \$5,000,000 shall be made available for each of those fiscal years to carry out subsection (b).*

*“(B) SUBSEQUENT FISCAL YEARS.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section \$30,000,000 for fiscal year 2023 and each fiscal year thereafter, of which not less than \$18,000,000 shall be made available for each of those fiscal years to carry out subsection (b).*

*“(2) AUTHORIZATION OF APPROPRIATIONS.—*

*“(A) NATIONAL ANIMAL HEALTH LABORATORY NETWORK.—In addition to the funds made available under paragraph (1), there is authorized to be appropriated*

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*\$30,000,000 for each of fiscal years 2019 through 2023 to carry out subsection (a).*

*“(B) NATIONAL ANIMAL DISEASE PREPAREDNESS AND RESPONSE PROGRAM; NATIONAL ANIMAL VACCINE AND VETERINARY COUNTERMEASURES BANK.—In addition to the funds made available under paragraph (1), there is authorized to be appropriated such sums as are necessary for each of fiscal years 2019 through 2023 to carry out subsections (b) and (c).*

*“(C) ADDITIONALITY.—The funds authorized for appropriation under this paragraph are in addition to any funds authorized or otherwise made available under this section or section 10417.*

*“(3) ADMINISTRATIVE COSTS.—*

*“(A) SECRETARY.—Of the funds made available under this section or section 10417 to carry out the National Animal Health Laboratory Network under subsection (a) and the National Animal Disease Preparedness and Response Program under subsection (b), not more than 4 percent may be retained by the Secretary to pay administrative costs incurred by the Secretary.*

*“(B) ELIGIBLE ENTITIES.—Of the funds made available under this section or section 10417 to carry out the National Animal Disease Preparedness and Response Program under subsection (b), not more than 10 percent may be retained by an eligible entity that receives funds under any agreement entered into under such subsection, including any sub-agreement under paragraph (7)(B) of such subsection to pay administrative costs incurred by the eligible entity to carry out activities under the Program.*

*“(4) DURATION OF AVAILABILITY.—Funds made available under this subsection, including any proceeds credited under paragraph (5), shall remain available until expended.*

*“(5) PROCEEDS FROM VETERINARY COUNTERMEASURES SALES.—Any proceeds of a sale of veterinary countermeasures from the Vaccine Bank shall be—*

*“(A) deposited into the Treasury of the United States; and*

*“(B) credited to the account for the operation of the Vaccine Bank to be made available for expenditure without further appropriation.*

*“(6) LIMITATIONS ON USE OF FUNDS FOR CERTAIN PURPOSES.—Funds made available under the National Animal Health Laboratory Network, the National Animal Disease Preparedness and Response Program, and the Vaccine Bank shall not be used for the construction of a new building or facility or the acquisition or expansion of an existing building or facility, including site grading and improvement and architect fees.*

*“(e) AVAILABILITY AND PURPOSE OF FUNDING.—*

*“(1) IN GENERAL.—Using the funds made available under subsection (d), the Secretary of Agriculture shall offer to enter into contracts, grants, cooperative agreements, or other legal instruments under subsections (a) through (c) during each of the fiscal years 2019 through 2023.*

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*“(2) EFFECT.—Nothing in paragraph (1) shall be construed to terminate a contract, grant, cooperative agreement, or other legal instrument entered into during the period specified in such paragraph.”*

**SEC. 12102. SHEEP PRODUCTION AND MARKETING GRANT PROGRAM.**

*Section 209(c) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1627a(c)) is amended by striking “\$1,500,000 for fiscal year 2014” and inserting “\$2,000,000 for fiscal year 2019”.*

**SEC. 12103. FEASIBILITY STUDY ON LIVESTOCK DEALER STATUTORY TRUST.**

*(a) IN GENERAL.—The Secretary shall conduct a study to determine the feasibility of establishing a livestock dealer statutory trust.*

*(b) CONTENTS.—The study conducted under subsection (a) shall—*

*(1) analyze how the establishment of a livestock dealer statutory trust would affect buyer and seller behavior in markets for livestock (as defined in section 2(a) of the Packers and Stockyards Act, 1921 (7 U.S.C. 182));*

*(2) examine how the establishment of a livestock dealer statutory trust would affect seller recovery in the event of a livestock dealer payment default;*

*(3) consider what potential effects a livestock dealer statutory trust would have on credit availability, including impacts on lenders and lending behavior and other industry participants;*

*(4) examine unique circumstances common to livestock dealers and how those circumstances could impact the functionality of a livestock dealer statutory trust;*

*(5) study the feasibility of the industry-wide adoption of electronic funds transfer or another expeditious method of payment to provide sellers of livestock protection from nonsufficient funds payments;*

*(6) assess the effectiveness of statutory trusts in other segments of agriculture, whether similar effects could be experienced under a livestock dealer statutory trust, and whether authorizing the Secretary to appoint an independent trustee under the livestock dealer statutory trust would improve seller recovery;*

*(7) consider the effects of exempting dealers with average annual purchases under a de minimis threshold from being subject to the livestock dealer statutory trust; and*

*(8) analyze how the establishment of a livestock dealer statutory trust would affect the treatment of sellers of livestock as it relates to preferential transfer in bankruptcy.*

*(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the findings of the study conducted under subsection (a).*

**SEC. 12104. DEFINITION OF LIVESTOCK.**

*Section 602(2) of the Emergency Livestock Feed Assistance Act of 1988 (7 U.S.C. 1471(2)) is amended in the matter preceding subparagraph (A) by striking “fish” and all that follows through*



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*“that—” and inserting “llamas, alpacas, live fish, crawfish, and other animals that—”.*

**SEC. 12105. NATIONAL AQUATIC ANIMAL HEALTH PLAN.**

*Section 11013 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8322) is amended—*

*(1) by striking subsection (d); and*

*(2) by redesignating subsection (e) as subsection (d).*

**SEC. 12106. VETERINARY TRAINING.**

*Section 10504 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8318) is amended—*

*(1) by inserting “and veterinary teams, including those based at colleges of veterinary medicine,” after “veterinarians”; and*

*(2) by inserting before the period at the end the following: “and who are capable of providing effective services before, during, and after emergencies”.*

**SEC. 12107. REPORT ON FSIS GUIDANCE AND OUTREACH TO SMALL MEAT PROCESSORS.**

*(a) IN GENERAL.—The Secretary shall offer to enter into a contract with a land-grant college or university or a non-land-grant college of agriculture (as those terms are defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3101)) to review the effectiveness of existing Food Safety and Inspection Service guidance materials and other tools used by small and very small establishments, as defined by regulations issued by the Food Safety and Inspection Service, operating under Federal inspection, as in effect on the date of enactment of this Act, including—*

*(1) the effectiveness of the outreach conducted by the Food Safety and Inspection Service to small and very small establishments;*

*(2) the effectiveness of the guidance materials and other tools used by the Food Safety and Inspection Service to assist small and very small establishments; and*

*(3) the responsiveness of Food Safety and Inspection Service personnel to inquiries and issues from small and very small establishments.*

*(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—*

*(1) the results of the review conducted under subsection (a); and*

*(2) recommendations on measures the Food Safety and Inspection Service should take to improve regulatory clarity and consistency and ensure all guidance materials and other tools take into account small and very small establishments.*

**SEC. 12108. REGIONAL CATTLE AND CARCASS GRADING CORRELATION AND TRAINING CENTERS.**

*(a) IN GENERAL.—The Secretary shall establish not more than 3 regional centers, to be known as Cattle and Carcass Grading Correlation and Training Centers (referred to in this section as the “Centers”), to provide education and training for cattle and carcass*



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*beef graders of the Agricultural Marketing Service, cattle producers, and other professionals involved in the reporting, delivery, and grading of feeder cattle, live cattle, and carcasses—*

*(1) to limit the subjectivity in the application of beef grading standards;*

*(2) to provide producers with greater confidence in the price of the producers' cattle; and*

*(3) to provide investors with both long and short positions more assurance in the cattle delivery system.*

*(b) LOCATION.—The Centers shall be located near cattle feeding and slaughter populations and areas shall be strategically identified in order to capture regional variances in cattle production.*

*(c) ADMINISTRATION.—Each Center shall be organized and administered by offices of the Department of Agriculture in operation on the date on which the respective Center is established, or in coordination with other appropriate Federal agencies or academic institutions.*

*(d) TRAINING PROGRAM.—The Centers shall offer intensive instructional programs involving classroom and field training work for individuals described in subsection (a).*

*(e) COORDINATION OF RESOURCES.—Each Center, in carrying out the functions of the Center, shall make use of information generated by the Department of Agriculture, the State agricultural extension and research stations, relevant designated contract markets, and the practical experience of area cattle producers, especially cattle producers cooperating in on-farm demonstrations, correlations, and research projects.*

*(f) PROHIBITION ON CONSTRUCTION.—Funds made available to carry out this section shall not be used for the construction of a new building or facility or the acquisition, expansion, remodeling, or alteration of an existing building or facility (including site grading and improvement, and architect fees). Notwithstanding the preceding sentence, the Secretary may use funds made available to carry out this section to provide a Center with payment for the cost of the rental of a space determined to be necessary by the Center for conducting training under this section and may accept donations (including in-kind contributions) to cover such cost.*

## ***Subtitle B—Agriculture and Food Defense***

### **SEC. 12201. REPEAL OF OFFICE OF HOMELAND SECURITY.**

*Section 14111 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8911) is repealed.*

### **SEC. 12202. OFFICE OF HOMELAND SECURITY.**

*Subtitle A of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6911 et seq.) is amended by adding at the end the following:*

#### **“SEC. 221. OFFICE OF HOMELAND SECURITY.**

*“(a) DEFINITION OF AGRICULTURE AND FOOD DEFENSE.—In this section, the term ‘agriculture and food defense’ means any action to prevent, protect against, mitigate the effects of, respond to, or recover from a naturally occurring, unintentional, or intentional threat to the agriculture and food system.*

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“(b) *AUTHORIZATION.*—The Secretary shall establish in the Department the Office of Homeland Security.

“(c) *EXECUTIVE DIRECTOR.*—The Office of Homeland Security shall be headed by an Executive Director, who shall be known as the Executive Director of Homeland Security.

“(d) *DUTIES.*—The Executive Director of Homeland Security shall—

“(1) serve as the principal advisor to the Secretary on homeland security, including emergency management and agriculture and food defense;

“(2) coordinate activities of the Department, including policies, processes, budget needs, and oversight relating to homeland security, including emergency management and agriculture and food defense;

“(3) act as the primary liaison on behalf of the Department with other Federal departments and agencies in activities relating to homeland security, including emergency management and agriculture and food defense, and provide for interagency coordination and data sharing;

“(4)(A) coordinate in the Department the gathering of information relevant to early warning and awareness of threats and risks to the food and agriculture critical infrastructure sector; and

“(B) share that information with, and provide assistance with interpretation and risk characterization of that information to, the intelligence community (as defined in section 3 of the National Security Act of 1947 (50 U.S.C. 3003)), law enforcement agencies, the Secretary of Defense, the Secretary of Homeland Security, the Secretary of Health and Human Services, and State fusion centers (as defined in section 210A(j) of the Homeland Security Act of 2002 (6 U.S.C. 124h(j)));

“(5) liaise with the Director of National Intelligence to assist in the development of periodic assessments and intelligence estimates, or other intelligence products, that support the defense of the food and agriculture critical infrastructure sector;

“(6) coordinate the conduct, evaluation, and improvement of exercises to identify and eliminate gaps in preparedness and response;

“(7) produce a Department-wide centralized strategic coordination plan to provide a high-level perspective of the operations of the Department relating to homeland security, including emergency management and agriculture and food defense; and

“(8) carry out other appropriate duties, as determined by the Secretary.

“(e) *AGRICULTURE AND FOOD THREAT AWARENESS PARTNERSHIP PROGRAM.*—

“(1) *INTERAGENCY EXCHANGE PROGRAM.*—The Secretary, in partnership with the intelligence community (as defined in section 3 of the National Security Act of 1947 (50 U.S.C. 3003)) and fusion centers (as defined in section 210A(j) of the Homeland Security Act of 2002 (6 U.S.C. 124h(j))) that have analysis and intelligence capabilities relating to the defense of the food and agriculture critical infrastructure sector, shall establish and carry out an interagency exchange program of personnel

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and information to improve communication and analysis for the defense of the food and agriculture critical infrastructure sector.

“(2) *COLLABORATION WITH FEDERAL, STATE, AND LOCAL AUTHORITIES.*—To carry out the program established under paragraph (1), the Secretary may—

“(A) enter into 1 or more cooperative agreements or contracts with Federal, State, or local authorities that have analysis and intelligence capabilities and expertise relating to the defense of the food and agriculture critical infrastructure sector; and

“(B) carry out any other activity under any other authority of the Secretary that is appropriate to engage the authorities described in subparagraph (A) for the defense of the food and agriculture critical infrastructure sector, as determined by the Secretary.”.

**SEC. 12203. AGRICULTURE AND FOOD DEFENSE.**

(a) *DEFINITIONS.*—In this section:

(1) *ANIMAL.*—The term “animal” has the meaning given the term in section 10403 of the Animal Health Protection Act (7 U.S.C. 8302).

(2) *DISEASE OR PEST OF CONCERN.*—The term “disease or pest of concern” means a plant or animal disease or pest that—

(A) is—

(i) a transboundary disease; or

(ii) an established disease; and

(B) is likely to pose a significant risk to the food and agriculture critical infrastructure sector that warrants efforts at prevention, protection, mitigation, response, and recovery.

(3) *ESTABLISHED DISEASE.*—The term “established disease” means a plant or animal disease or pest that—

(A)(i) if it becomes established, poses an imminent threat to agriculture in the United States; or

(ii) has become established, as defined by the Secretary, within the United States; and

(B) requires management.

(4) *HIGH-CONSEQUENCE PLANT TRANSBOUNDARY DISEASE.*—The term “high-consequence plant transboundary disease” means a transboundary disease that is—

(A)(i) a plant disease; or

(ii) a plant pest; and

(B) of high consequence, as determined by the Secretary.

(5) *PEST.*—The term “pest”—

(A) with respect to a plant, has the meaning given the term “plant pest” in section 403 of the Plant Protection Act (7 U.S.C. 7702); and

(B) with respect to an animal, has the meaning given the term in section 10403 of the Animal Health Protection Act (7 U.S.C. 8302).

(6) *PLANT.*—The term “plant” has the meaning given the term in section 403 of the Plant Protection Act (7 U.S.C. 7702).

(7) *PLANT HEALTH MANAGEMENT STRATEGY.*—The term “plant health management strategy” means a strategy to timely

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*control and eradicate a plant disease or plant pest outbreak, including through mitigation (such as chemical control), surveillance, the use of diagnostic products and procedures, and the use of existing resistant seed stock.*

(8) *TRANSBOUNDARY DISEASE.*—

(A) *IN GENERAL.*—*The term “transboundary disease” means a plant or animal disease or pest that is within 1 or more countries outside of the United States.*

(B) *INCLUSION.*—*The term “transboundary disease” includes a plant or animal disease or pest described in subparagraph (A) that—*

*(i) has emerged within the United States; or*

*(ii) has been introduced within the United States.*

(9) *VETERINARY COUNTERMEASURE.*—*The term “veterinary countermeasure” has the meaning given such term in section 10403 of the Animal Health Protection Act (7 U.S.C. 8302).*

(b) *DISEASE OR PEST OF CONCERN RESPONSE PLANNING.*—

(1) *IN GENERAL.*—*The Secretary shall—*

(A) *establish a list of diseases or pests of concern by—*

*(i) developing a process to solicit and receive expert opinion and evidence relating to the diseases or pests of concern entered on the list; and*

*(ii) reviewing all available evidence relating to the diseases or pests of concern entered on the list, including classified information; and*

(B) *periodically update the list established under subparagraph (A).*

(2) *RESPONSE PLANS.*—

(A) *COMPREHENSIVE STRATEGIC RESPONSE PLAN OR PLANS.*—*The Secretary shall develop, in collaboration with appropriate Federal, State, regional, and local officials, a comprehensive strategic response plan or plans, as appropriate, for the diseases or pests of concern that are entered on the list established under paragraph (1).*

(B) *STATE OR REGION RESPONSE PLAN OR PLANS.*—*The Secretary shall provide information to a State or region to assist in producing a response plan or plans that shall include a concept of operations for a disease or pest of concern or a platform concept of operations for responses to similar diseases or pests of concern that are determined to be a priority to the State or region that shall, as appropriate—*

*(i) describe the appropriate interactions among, and roles of—*

*(I) Federal, State, Tribal, and units of local government; and*

*(II) plant or animal industry partners;*

*(ii) include a decision matrix or dynamic decision modeling tools that, as appropriate, include—*

*(I) information and timing requirements necessary for the use of veterinary countermeasures;*

*(II) plant health management strategies;*

*(III) deployment of other key materials and resources; and*

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(IV) parameters for transitioning from outbreak response to disease management;  
(iii) identify key response performance metrics to establish—

(I) benchmarking to provide assessments of capabilities, capacity, and readiness to achieve response goals and objectives;

(II) progressive exercise evaluation; and

(III) continuing improvement of a response plan, including by providing for—

(aa) ongoing exercises;

(bb) improvement planning and the implementation of corrective actions to enhance a response plan over time; and

(cc) strategic information to guide investment in any appropriate research to mitigate the risk of a disease or pest of concern; and

(iv) be updated periodically, including in response to—

(I) an exercise evaluation; or

(II) new risk information becoming available regarding a disease or pest of concern.

(3) COORDINATION OF PLANS.—Pursuant to section 221(d)(6) of the Department of Agriculture Reorganization Act of 1994, as added by section 12202, the Secretary shall, as appropriate, assist in coordinating with other appropriate Federal, State, regional, or local officials in the exercising of the plans developed under paragraph (2).

(c) NATIONAL PLANT DIAGNOSTIC NETWORK.—

(1) IN GENERAL.—The Secretary shall establish in the Department of Agriculture a National Plant Diagnostic Network to monitor and surveil through diagnostics threats to plant health from diseases or pests of concern in the United States.

(2) REQUIREMENTS.—The National Plant Diagnostic Network established under paragraph (1) shall—

(A) provide for increased awareness, surveillance, early identification, rapid communication, warning, and diagnosis of a threat to plant health from a disease or pest of concern to protect natural and agricultural plant resources;

(B) coordinate and collaborate with agencies and authorities of the Department of Agriculture and State agencies and authorities involved in plant health;

(C) establish diagnostic laboratory standards;

(D) establish regional hubs throughout the United States that provide expertise, leadership, and support to diagnostic labs relating to the agricultural crops and plants in the covered regions of those hubs; and

(E) establish a national repository for records of endemic or emergent diseases and pests of concern.

(3) HEAD OF NETWORK.—

(A) IN GENERAL.—The Director of the National Institute of Food and Agriculture shall serve as the head of the National Plant Diagnostic Network.

(B) DUTIES.—The head of the National Plant Diagnostic Network shall—



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(i) coordinate and collaborate with land-grant colleges and universities (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)) in carrying out the requirements under paragraph (2), including through cooperative agreements described in paragraph (4);

(ii) partner with the Administrator of the Animal and Plant Health Inspection Service for assistance with plant health regulation and inspection; and

(iii) coordinate with other Federal agencies, as appropriate, in carrying out activities relating to the National Plant Diagnostic Network, including the sharing of biosurveillance information.

(4) **COLLABORATION WITH LAND-GRANT COLLEGES AND UNIVERSITIES.**—The Secretary shall seek to establish cooperative agreements with land-grant colleges and universities (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)) that have the appropriate level of skill, experience, and competence with plant diseases or pests of concern.

(5) **AUTHORIZATION OF APPROPRIATIONS.**—In addition to the amount authorized to carry out this subtitle under section 12205, there is authorized to be appropriated to carry out this subsection \$15,000,000 for each of fiscal years 2019 through 2023.

(d) **NATIONAL PLANT DISEASE RECOVERY SYSTEM.**—

(1) **RECOVERY SYSTEM.**—The Secretary shall establish in the Department of Agriculture a National Plant Disease Recovery System to engage in strategic long-range planning to recover from high-consequence plant transboundary diseases.

(2) **REQUIREMENTS.**—The National Plant Disease Recovery System established under paragraph (1) shall—

(A) coordinate with disease or pest of concern concept of operations response plans;

(B) make long-range plans for the initiation of future research projects relating to high-consequence plant transboundary diseases;

(C) establish research plans for long-term recovery;

(D) plan for the identification and use of specific genotypes, cultivars, breeding lines, and other disease-resistant materials necessary for crop stabilization or improvement; and

(E) establish a watch list of high-consequence plant transboundary diseases for the purpose of making long-range plans under subparagraph (B).

**SEC. 12204. BIOLOGICAL AGENTS AND TOXINS LIST.**

Section 212(a)(1)(B)(i) of the Agricultural Bioterrorism Protection Act of 2002 (7 U.S.C. 8401(a)(1)(B)(i)) is amended—

(1) in subclause (III), by striking “and” at the end;

(2) by redesignating subclause (IV) as subclause (V); and

(3) by inserting after subclause (III) the following:

“(IV)(aa) whether such inclusion would have a substantial negative impact on the research and



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*development of solutions for the animal or plant disease caused by the agent or toxin; and*

*“(bb) whether the negative impact described in item (aa) would substantially outweigh the risk posed by the agent or toxin to animal or plant health if it is not included on the list; and”.*

**SEC. 12205. AUTHORIZATION OF APPROPRIATIONS.**

*In addition to other amounts made available under this subtitle, there is authorized to be appropriated to carry out this subtitle \$5,000,000 for each of fiscal years 2019 through 2023.*

### ***Subtitle C—Historically Underserved Producers***

**SEC. 12301. FARMING OPPORTUNITIES TRAINING AND OUTREACH.**

*(a) REPEAL.—*

*(1) IN GENERAL.—Section 7405 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3319f) is repealed.*

*(2) CONFORMING AMENDMENTS.—*

*(A) Section 226B(e)(2)(B) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6934(e)(2)(B)) is amended by striking “the beginning farmer and rancher development program established under section 7405 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3319f).” and inserting “the beginning farmer and rancher development grant program established under subsection (d) of section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279).”.*

*(B) Section 251(f)(1)(D) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6971(f)(1)(D)) is amended by striking clause (iv) and inserting the following:*

*“(iv) The beginning farmer and rancher development grant program established under subsection (d) of section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279).”.*

*(C) Section 7506(e) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 7614c(e)) is amended—*

*(i) in paragraph (2)(C)—*

*(I) by striking clause (v);*

*(II) by redesignating clauses (i) through (iv) as clauses (ii) through (v), respectively;*

*(III) by inserting before clause (ii) (as so redesignated) the following:*

*“(i) each grant and cooperative agreement awarded under subsection (d) of section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279),”;*

*(IV) in clause (ii) (as so redesignated), by striking “450i(b)(2);” and inserting “3157(b)(2);”;*  
*and*

*(V) in clause (iv) (as so redesignated), by adding “and” at the end; and*

*(ii) in paragraph (4)—*

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(I) by striking subparagraph (E);  
(II) by redesignating subparagraphs (A) through (D) as subparagraphs (B) through (E), respectively;

(III) by inserting before subparagraph (B) (as so redesignated) the following:

“(A) subsection (d) of section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279);”;

(IV) in subparagraph (B) (as so redesignated), by striking “450i(b);” and inserting “3157(b);”;

(V) in subparagraph (D) (as so redesignated), by adding “or” at the end; and

(VI) in subparagraph (E) (as so redesignated), by striking “; or” and inserting a period.

(b) **OUTREACH AND EDUCATION FOR SOCIALLY DISADVANTAGED FARMERS AND RANCHERS, VETERAN FARMERS AND RANCHERS, AND BEGINNING FARMERS AND RANCHERS.**—Section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279) is amended—

(1) by striking the section heading and inserting “**FARMING OPPORTUNITIES TRAINING AND OUTREACH**”;

(2) by redesignating subsection (i) as paragraph (5) (and moving the margins of such paragraph 2 ems to the right) and moving such paragraph (as so redesignated) so as to follow subsection (a)(4);

(3) by redesignating subsections (a) (as amended by paragraph (2)), (b), (c), (d), (e), (g), and (h) as subsections (c), (g), (k), (h), (a), (i), and (j), respectively, and moving the subsections so as to appear in alphabetical order;

(4) by moving paragraph (5) of subsection (a) (as so redesignated) so as to appear at the end of subsection (c) (as so redesignated) and redesignating such paragraph as paragraph (6);

(5) in subsection (a) (as so redesignated)—

(A) by striking the subsection designation and heading and inserting the following:

“(a) **DEFINITIONS.**—In this section:”;

(B) by redesignating paragraphs (1), (2), (3), (4), and (6) as paragraphs (6), (5), (1), (3), and (4), respectively, and moving the paragraphs so as to appear in numerical order;

(C) in paragraphs (1), (5), and (6) (as so redesignated), by striking “As used in this section, the” each place it appears and inserting “The”;

(D) in paragraph (1) (as so redesignated)—

(i) in the paragraph heading, by striking “**AGRICULTURE**” and inserting “**AGRICULTURAL**”; and

(ii) in the matter preceding subparagraph (A), by striking “agriculture” and inserting “agricultural”; and

(E) by inserting after paragraph (1) (as so redesignated) the following:

“(2) **BEGINNING FARMER OR RANCHER.**—The term ‘beginning farmer or rancher’ means a person that—

“(A)(i) has not operated a farm or ranch; or

“(ii) has operated a farm or ranch for not more than 10 years; and

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“(B) meets such other criteria as the Secretary may establish.”;

(6) by inserting after subsection (a) (as so redesignated) the following:

“(b) **FARMING OPPORTUNITIES TRAINING AND OUTREACH.**—The Secretary shall carry out this section to encourage and assist socially disadvantaged farmers and ranchers, veteran farmers and ranchers, and beginning farmers and ranchers in the ownership and operation of farms and ranches through—

“(1) education and training; and

“(2) equitable participation in all agricultural programs of the Department.”;

(7) in subsection (c) (as so redesignated and as amended by paragraph (4))—

(A) in the subsection heading, by inserting “**FOR SOCIALLY DISADVANTAGED AND VETERAN FARMERS AND RANCHERS**” after “**ASSISTANCE**”;

(B) by striking paragraph (4);

(C) by redesignating paragraphs (1), (2), (3), and (6) as paragraphs (2), (3), (4), and (1), respectively, and moving the paragraphs so as to appear in numerical order;

(D) in paragraph (1) (as so redesignated)—

(i) in the matter preceding subparagraph (A), by striking “The term” and inserting “In this subsection, the term”;

(ii) in subparagraph (A)(ii), by striking “subsection (a)” and inserting “this subsection”; and

(iii) in subparagraph (F), by striking “450b))” and inserting “5304))”;

(E) in paragraph (2) (as so redesignated)—

(i) in the matter preceding subparagraph (A), by striking “The Secretary of Agriculture shall carry out” and inserting “Using funds made available under subsection (l), the Secretary of Agriculture shall, for the period of fiscal years 2019 through 2023, carry out”; and

(ii) in subparagraph (B), by striking “agricultural” and inserting “agricultural, forestry, and related”;

(iii) by striking “agricultural” and inserting “agricultural, forestry, and related”;

(F) in paragraph (3) (as so redesignated), by striking “(1)” in the matter preceding subparagraph (A) and inserting “(2)”; and

(G) in paragraph (4) (as so redesignated)—

(i) in subparagraph (A)—

(I) by striking the subparagraph heading and inserting “**OUTREACH AND TECHNICAL ASSISTANCE.**—”;

(II) by striking “(2)” and inserting “(3)”; and

(III) by inserting “to socially disadvantaged farmers and ranchers and veteran farmers and ranchers” after “assistance”;

(ii) in subparagraph (C), by striking “(1)” and inserting “(2)”; and

(iii) in subparagraph (D), by adding at the end the following:

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“(v) *The number of farms or ranches started, maintained, or improved as a result of funds made available under the program.*

“(vi) *Actions taken by the Secretary in partnership with eligible entities to enhance participation in agricultural programs by veteran farmers or ranchers and socially disadvantaged farmers or ranchers.*

“(vii) *The effectiveness of the actions described in clause (vi).*”; and

(iv) by adding at the end the following:

“(E) **MAXIMUM TERM AND AMOUNT OF GRANT, CONTRACT, OR AGREEMENT.**—*A grant, contract, or agreement entered into under subparagraph (A) shall be—*

“(i) *for a term of not longer than 3 years; and*

“(ii) *in an amount that is not more than \$250,000 for each year of the grant, contract, or agreement.*

“(F) **PRIORITY.**—*In making grants and entering into contracts and other agreements under subparagraph (A), the Secretary shall give priority to nongovernmental and community-based organizations with an expertise in working with socially disadvantaged farmers and ranchers or veteran farmers and ranchers.*

“(G) **REGIONAL BALANCE.**—*To the maximum extent practicable, the Secretary shall ensure the geographical diversity of eligible entities to which grants are made and contracts and other agreements are entered into under subparagraph (A).*

“(H) **PROHIBITION.**—*A grant, contract, or other agreement under subparagraph (A) may not be used for the planning, repair, rehabilitation, acquisition, or construction of a building or facility.*

“(I) **PEER REVIEW.**—*The Secretary shall establish a fair and efficient external peer review process that—*

“(i) *the Secretary shall use in making grants and entering into contracts and other agreements under subparagraph (A); and*

“(ii) *shall include a broad representation of peers of the eligible entity.*

“(J) **INPUT FROM ELIGIBLE ENTITIES.**—*The Secretary shall seek input from eligible entities providing technical assistance under this subsection not less than once each year to ensure that the program is responsive to the eligible entities providing that technical assistance.”;*

(8) by inserting after subsection (c) (as so redesignated) the following:

“(d) **BEGINNING FARMER AND RANCHER DEVELOPMENT GRANT PROGRAM.**—

“(1) **IN GENERAL.**—*Using funds made available under subsection (l), the Secretary, acting through the Director of the National Institute of Food and Agriculture, shall, for the period of fiscal years 2019 through 2023, make competitive grants or enter into cooperative agreements to support new and established local and regional training, education, outreach, and technical assistance initiatives to increase opportunities for beginning farmers and ranchers.*

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*“(2) INCLUDED PROGRAMS AND SERVICES.—Initiatives described in paragraph (1) may include programs or services, as appropriate, relating to—*

*“(A) basic livestock, forest management, and crop farming practices;*

*“(B) innovative farm, ranch, and private, nonindustrial forest land transfer and succession strategies;*

*“(C) entrepreneurship and business training;*

*“(D) technical assistance to help beginning farmers or ranchers acquire land from retiring farmers and ranchers;*

*“(E) financial and risk management training, including the acquisition and management of agricultural credit;*

*“(F) natural resource management and planning;*

*“(G) diversification and marketing strategies;*

*“(H) curriculum development;*

*“(I) mentoring, apprenticeships, and internships;*

*“(J) resources and referral;*

*“(K) farm financial benchmarking;*

*“(L) agricultural rehabilitation and vocational training for veteran farmers and ranchers;*

*“(M) farm safety and awareness;*

*“(N) food safety and recordkeeping; and*

*“(O) other similar subject areas of use to beginning farmers and ranchers.*

*“(3) ELIGIBILITY.—*

*“(A) IN GENERAL.—To be eligible to receive a grant or enter into a cooperative agreement under this subsection, the recipient of the grant or participant in the cooperative agreement shall be a collaborative State, Tribal, local, or regionally-based network or partnership of public or private entities.*

*“(B) INCLUSIONS.—A recipient of a grant or a participant that enters into a cooperative agreement described in subparagraph (A) may include—*

*“(i) a State cooperative extension service;*

*“(ii) a Federal, State, municipal, or Tribal agency;*

*“(iii) a community-based or nongovernmental organization;*

*“(iv) a college or university (including an institution awarding an associate’s degree) or foundation maintained by a college or university; or*

*“(v) any other appropriate partner, as determined by the Secretary.*

*“(4) TERMS OF GRANTS OR COOPERATIVE AGREEMENT.—A grant or cooperative agreement under this subsection shall—*

*“(A) be for a term of not longer than 3 years; and*

*“(B) provide not more than \$250,000 for each year.*

*“(5) MATCHING REQUIREMENT.—*

*“(A) IN GENERAL.—Except as provided in subparagraph (B), to be eligible to receive a grant or enter into a cooperative agreement under this subsection, a recipient or participant shall provide a match in the form of cash or in-kind contributions in an amount equal to 25 percent of the funds provided by the grant or cooperative agreement.*



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*“(B) EXCEPTION.—The Secretary may waive or reduce the matching requirement in subparagraph (A) if the Secretary determines such a waiver or modification is necessary to effectively reach an underserved area or population.”*

*“(6) EVALUATION CRITERIA.—In making grants or entering into cooperative agreements under this subsection, the Secretary shall evaluate, with respect to applications for the grants or cooperative agreements—*

*“(A) relevancy;*

*“(B) technical merit;*

*“(C) achievability;*

*“(D) the expertise and track record of 1 or more applicants;*

*“(E) the consultation of beginning farmers and ranchers in design, implementation, and decisionmaking relating to an initiative described in paragraph (1);*

*“(F) the adequacy of plans for—*

*“(i) a participatory evaluation process;*

*“(ii) outcome-based reporting; and*

*“(iii) the communication of findings and results beyond the immediate target audience; and*

*“(G) other appropriate factors, as determined by the Secretary.”*

*“(7) REGIONAL BALANCE.—To the maximum extent practicable, the Secretary shall ensure the geographical diversity of recipients of grants or participants in cooperative agreements under this subsection.”*

*“(8) PRIORITY.—In making grants or entering into cooperative agreements under this subsection, the Secretary shall give priority to partnerships and collaborations that are led by or include nongovernmental, community-based organizations and school-based educational organizations with expertise in new agricultural producer training and outreach.”*

*“(9) PROHIBITION.—A grant made or cooperative agreement entered into under this subsection may not be used for the planning, repair, rehabilitation, acquisition, or construction of a building or facility.”*

*“(10) COORDINATION PERMITTED.—A recipient of a grant or participant in a cooperative agreement under this subsection may coordinate with a recipient of a grant or cooperative agreement under section 1680 in addressing the needs of veteran farmers and ranchers with disabilities.”*

*“(11) CONSECUTIVE AWARDS.—A grant or cooperative agreement under this subsection may be made to a recipient or participant for consecutive years.”*

*“(12) PEER REVIEW.—*

*“(A) IN GENERAL.—The Secretary shall establish a fair and efficient external peer review process, which the Secretary shall use in making grants or entering into cooperative agreements under this subsection.”*

*“(B) REQUIREMENT.—The peer review process under subparagraph (A) shall include a review panel composed of a broad representation of peers of the applicant for the*



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*grant or cooperative agreement that are not applying for a grant or cooperative agreement under this subsection.*

*“(13) PARTICIPATION BY OTHER FARMERS AND RANCHERS.— Nothing in this subsection prohibits the Secretary from allowing a farmer or rancher who is not a beginning farmer or rancher (including an owner or operator that has ended, or expects to end within 5 years, active labor in a farming or ranching operation as a producer, retiring farmers, and non-farming landowners) from participating in a program or service under this subsection, to the extent that the Secretary determines that such participation—*

*“(A) is appropriate; and*

*“(B) will not detract from the primary purpose of increasing opportunities for beginning farmers and ranchers.*

*“(14) EDUCATION TEAMS.—*

*“(A) IN GENERAL.—The Secretary shall establish beginning farmer and rancher education teams to develop curricula, conduct educational programs and workshops for beginning farmers and ranchers in diverse geographical areas of the United States, or provide training and technical assistance initiatives for beginning farmers or ranchers or for trainers and service providers that work with beginning farmers or ranchers.*

*“(B) CURRICULUM.—In promoting the development of curricula, educational programs and workshops, or training and technical assistance initiatives under subparagraph (A), the Secretary shall, to the maximum extent practicable, include content tailored to specific audiences of beginning farmers and ranchers, based on crop diversity or regional diversity.*

*“(C) COMPOSITION.—In establishing an education team under subparagraph (A) for a specific program or workshop, the Secretary shall, to the maximum extent practicable—*

*“(i) obtain the short-term services of specialists with knowledge and expertise in programs serving beginning farmers and ranchers; and*

*“(ii) use officers and employees of the Department with direct experience in programs of the Department that may be taught as part of the curriculum for the program or workshop.*

*“(D) COOPERATION.—*

*“(i) IN GENERAL.—In carrying out this subsection, the Secretary shall cooperate, to the maximum extent practicable, with—*

*“(I) State cooperative extension services;*

*“(II) Federal, State, and Tribal agencies;*

*“(III) community-based and nongovernmental organizations;*

*“(IV) colleges and universities (including an institution awarding an associate’s degree) or foundations maintained by a college or university; and*

*“(V) other appropriate partners, as determined by the Secretary.*

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“(ii) *COOPERATIVE AGREEMENTS.*—*The Secretary may enter into a cooperative agreement to reflect the terms of any cooperation under subparagraph (A).*”

“(15) *CURRICULUM AND TRAINING CLEARINGHOUSE.*—*The Secretary shall establish an online clearinghouse that makes available to beginning farmers and ranchers education curricula and training materials and programs, which may include online courses for direct use by beginning farmers and ranchers.*”

“(e) *APPLICATION REQUIREMENTS.*—*In making grants and entering into contracts and other agreements, as applicable, under subsections (c) and (d), the Secretary shall make available a simplified application process for an application for a grant that requests less than \$50,000.*”;

(9) by striking subsection (f) and inserting the following:

“(f) *STAKEHOLDER INPUT.*—*In carrying out this section, the Secretary shall seek stakeholder input from—*

“(1) *beginning farmers and ranchers;*

“(2) *socially disadvantaged farmers and ranchers;*

“(3) *veteran farmers and ranchers;*

“(4) *national, State, Tribal, and local organizations and other persons with expertise in operating programs for—*

“(A) *beginning farmers and ranchers;*

“(B) *socially disadvantaged farmers and ranchers; or*

“(C) *veteran farmers and ranchers;*

“(5) *the Advisory Committee on Beginning Farmers and Ranchers established under section 5(b) of the Agricultural Credit Improvement Act of 1992 (7 U.S.C. 1929 note; Public Law 102–554);*

“(6) *the Advisory Committee on Minority Farmers established under section 14008 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 2279 note; Public Law 110–246); and*

“(7) *the Tribal Advisory Committee established under subsection (b) of section 309 of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6921).*”;

(10) in paragraph (3) of subsection (h) (as so redesignated), by inserting “and not later than March 1, 2020,” after “1991,”; and

(11) by adding at the end the following:

“(l) *FUNDING.*—

“(1) *MANDATORY FUNDING.*—*Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section—*

“(A) *\$30,000,000 for each of fiscal years 2019 and 2020;*

“(B) *\$35,000,000 for fiscal year 2021;*

“(C) *\$40,000,000 for fiscal year 2022; and*

“(D) *\$50,000,000 for fiscal year 2023 and each fiscal year thereafter.*

“(2) *AUTHORIZATION OF APPROPRIATIONS.*—*There is authorized to be appropriated to carry out this section \$50,000,000 for each of fiscal years 2019 through 2023.*

“(3) *RESERVATION OF FUNDS.*—*Of the amounts made available to carry out this section—*

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“(A) 50 percent shall be used to carry out subsection (c);  
and

“(B) 50 percent shall be used to carry out subsection  
(d).

“(4) ALLOCATION OF FUNDS.—

“(A) IN GENERAL.—Not less than 5 percent of the  
amounts made available to carry out subsection (d) for a  
fiscal year shall be used to support programs and services  
that address the needs of—

“(i) limited resource beginning farmers and ranch-  
ers, as defined by the Secretary;

“(ii) socially disadvantaged farmers and ranchers  
that are beginning farmers and ranchers; and

“(iii) farmworkers desiring to become farmers or  
ranchers.

“(B) VETERAN FARMERS AND RANCHERS.—Not less than  
5 percent of the amounts made available to carry out sub-  
section (d) for a fiscal year shall be used to support pro-  
grams and services that address the needs of veteran farm-  
ers and ranchers.

“(5) INTERAGENCY FUNDING.—Any agency of the Depart-  
ment may participate in any grant, contract, or agreement en-  
tered into under this section by contributing funds, if the con-  
tributing agency determines that the objectives of the grant, con-  
tract, or agreement will further the authorized programs of the  
contributing agency.

“(6) ADMINISTRATIVE EXPENSES.—Not more than 5 percent  
of the amounts made available to carry out this section for a  
fiscal year may be used for expenses relating to the administra-  
tion of this section.

“(7) LIMITATION ON INDIRECT COSTS.—A recipient of a grant  
or a party to a contract or other agreement under subsection (c)  
or (d) may not use more than 10 percent of the funds received  
for the indirect costs of carrying out a grant, contract, or other  
agreement.”.

**SEC. 12302. URBAN AGRICULTURE.**

Subtitle A of the Department of Agriculture Reorganization Act  
of 1994 (7 U.S.C. 6911 et seq.) (as amended by section 12202) is  
amended by adding at the end the following:

**“SEC. 222. OFFICE OF URBAN AGRICULTURE AND INNOVATIVE PRO-  
DUCTION.**

“(a) OFFICE.—

“(1) IN GENERAL.—The Secretary shall establish in the De-  
partment an Office of Urban Agriculture and Innovative Pro-  
duction.

“(2) DIRECTOR.—The Secretary shall appoint a senior offi-  
cial to serve as the Director of the Office of Urban Agriculture  
and Innovative Production (referred to in this section as the ‘Di-  
rector’).

“(3) MISSION.—The mission of the Office of Urban Agri-  
culture and Innovative Production shall be to encourage and  
promote urban, indoor, and other emerging agricultural prac-  
tices, including—

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“(A) community gardens and farms located in urban areas, suburbs, and urban clusters;

“(B) rooftop farms, outdoor vertical production, and green walls;

“(C) indoor farms, greenhouses, and high-tech vertical technology farms;

“(D) hydroponic, aeroponic, and aquaponic farm facilities; and

“(E) other innovations in agricultural production, as determined by the Secretary.

“(4) RESPONSIBILITIES.—The Director shall be responsible for engaging in activities to carry out the mission described in paragraph (3), including by—

“(A) managing programs, including for community gardens, urban farms, rooftop agriculture, and indoor vertical production;

“(B) advising the Secretary;

“(C) coordinating with the agencies and officials of the Department to update relevant programs;

“(D) engaging in stakeholder relations and developing external partnerships;

“(E) identifying common State and municipal best practices for navigating local policies;

“(F) coordinating networks of community gardens and facilitating connections to local food banks, in partnership with the Food and Nutrition Service; and

“(G) collaborating with other Federal agencies.

“(b) URBAN AGRICULTURE AND INNOVATIVE PRODUCTION ADVISORY COMMITTEE.—

“(1) IN GENERAL.—Not later than 180 days after the date of enactment of this section, the Secretary shall establish an Urban Agriculture and Innovative Production Advisory Committee (referred to in this subsection as the ‘Committee’) to advise the Secretary on—

“(A) the development of policies and outreach relating to urban, indoor, and other emerging agricultural production practices; and

“(B) any other aspects of the implementation of this section.

“(2) MEMBERSHIP.—

“(A) IN GENERAL.—The Committee shall be composed of 12 members, of whom—

“(i) 4 shall be individuals who are agricultural producers, of whom—

“(I) 2 individuals shall be agricultural producers located in an urban area or urban cluster; and

“(II) 2 individuals shall be farmers that use innovative technology;

“(ii) 2 shall be representatives from an institution of higher education or extension program;

“(iii) 1 shall be an individual who represents a nonprofit organization, which may include a public health, environmental, or community organization;

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*“(iv) 1 shall be an individual who represents business and economic development, which may include a business development entity, a chamber of commerce, a city government, or a planning organization;*

*“(v) 1 shall be an individual with supply chain experience, which may include a food aggregator, wholesale food distributor, food hub, or an individual who has direct-to-consumer market experience;*

*“(vi) 1 shall be an individual from a financing entity; and*

*“(vii) 2 shall be individuals with related experience or expertise in urban, indoor, and other emerging agriculture production practices, as determined by the Secretary.*

*“(B) INITIAL APPOINTMENTS.—The Secretary shall appoint the members of the Committee not later than 180 days after the date of enactment of this section.*

*“(3) PERIOD OF APPOINTMENT; VACANCIES.—*

*“(A) IN GENERAL.—Except as provided in subparagraph (B), a member of the Committee shall be appointed for a term of 3 years.*

*“(B) INITIAL APPOINTMENTS.—Of the members first appointed to the Committee—*

*“(i) 4 of the members, as determined by the Secretary, shall be appointed for a term of 3 years;*

*“(ii) 4 of the members, as determined by the Secretary, shall be appointed for a term of 2 years; and*

*“(iii) 4 of the members, as determined by the Secretary, shall be appointed for a term of 1 year.*

*“(C) VACANCIES.—Any vacancy in the Committee—*

*“(i) shall not affect the powers of the Committee; and*

*“(ii) shall be filled as soon as practicable in the same manner as the original appointment.*

*“(D) CONSECUTIVE TERMS.—An initial appointee of the committee may serve an additional consecutive term if the member is reappointed by the Secretary.*

*“(4) MEETINGS.—*

*“(A) FREQUENCY.—The Committee shall meet not fewer than 3 times per year.*

*“(B) INITIAL MEETING.—Not later than 180 days after the date on which the members are appointed under paragraph (2)(B), the Committee shall hold the first meeting of the Committee.*

*“(5) DUTIES.—*

*“(A) IN GENERAL.—The Committee shall—*

*“(i) develop recommendations and advise the Director on policies, initiatives, and outreach administered by the Office of Urban Agriculture and Innovative Production;*

*“(ii) evaluate and review ongoing research and extension activities relating to urban, indoor, and other innovative agricultural practices;*



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*“(iii) identify new and existing barriers to successful urban, indoor, and other emerging agricultural production practices; and*

*“(iv) provide additional assistance and advice to the Director as appropriate.*

*“(B) REPORTS.—Not later than 1 year after the date on which the Committee is established, and every 2 years through 2023, the Committee shall submit to the Secretary, the Committee on Agriculture of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the recommendations developed under subparagraph (A).*

*“(6) PERSONNEL MATTERS.—*

*“(A) COMPENSATION.—A member of the Committee shall serve without compensation.*

*“(B) TRAVEL EXPENSES.—A member of the Committee shall be allowed travel expenses, including per diem in lieu of subsistence, in accordance with section 5703 of title 5, United States Code.*

*“(7) TERMINATION.—*

*“(A) IN GENERAL.—Subject to subparagraph (B), the Committee shall terminate on the date that is 5 years after the date on which the members are appointed under paragraph (2)(B).*

*“(B) EXTENSIONS.—Before the date on which the Committee terminates, the Secretary may renew the Committee for 1 or more 2-year periods.*

*“(c) GRANTS.—The Director shall award competitive grants to support the development of urban agriculture and innovative production to any of the following eligible entities:*

*“(1) A nonprofit organization.*

*“(2) A unit of local government.*

*“(3) A Tribal government.*

*“(4) Any school that serves any of grades kindergarten through grade 12.*

*“(d) PILOT PROJECTS.—*

*“(1) URBAN AND SUBURBAN COUNTY COMMITTEES.—*

*“(A) IN GENERAL.—Not later than 1 year after the date of enactment of this section, the Secretary shall establish a pilot program for not fewer than 5 years that establishes 10 county committees in accordance with section 8(b)(5)(B)(ii)(II) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)(5)(B)(ii)(II)) to operate in counties located in urban or suburban areas with a high concentration of urban or suburban farms.*

*“(B) EFFECT.—Nothing in this paragraph requires or precludes the establishment of a Farm Service Agency office in a county in which a county committee is established under subparagraph (A).*

*“(C) REPORT.—For fiscal year 2019 and each fiscal year thereafter through fiscal year 2023, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing a summary of—*



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*“(i) the status of the pilot program under subparagraph (A);*

*“(ii) meetings and other activities of the committees established under that subparagraph; and*

*“(iii) the types and volume of assistance and services provided to farmers in counties in which county committees are established under that subparagraph.*

*“(2) INCREASING COMMUNITY COMPOST AND REDUCING FOOD WASTE.—*

*“(A) IN GENERAL.—The Secretary, acting through the Director, shall carry out pilot projects under which the Secretary shall offer to enter into cooperative agreements with local or municipal governments in not fewer than 10 States to develop and test strategies for planning and implementing municipal compost plans and food waste reduction plans.*

*“(B) ELIGIBLE ENTITIES AND PURPOSES OF PILOT PROJECTS.—Under a cooperative agreement entered into under this paragraph, the Secretary shall provide assistance to municipalities, counties, local governments, or city planners, as appropriate, to carry out planning and implementing activities that will—*

*“(i) generate compost;*

*“(ii) increase access to compost for agricultural producers;*

*“(iii) reduce reliance on, and limit the use of, fertilizer;*

*“(iv) improve soil quality;*

*“(v) encourage waste management and permaculture business development;*

*“(vi) increase rainwater absorption;*

*“(vii) reduce municipal food waste; and*

*“(viii) divert food waste from landfills.*

*“(C) EVALUATION AND RANKING OF APPLICATIONS.—*

*“(i) CRITERIA.—Not later than 180 days after the date of enactment of this section, the Secretary shall establish criteria for the selection of pilot projects under this paragraph.*

*“(ii) CONSIDERATION.—In selecting, undertaking, or funding pilot projects under this paragraph, the Secretary shall consider any commonly known significant impact on existing food waste recovery and disposal by commercial, marketing, or business relationships.*

*“(iii) PRIORITY.—In selecting a pilot project under this paragraph, the Secretary shall give priority to an application for a pilot project that—*

*“(I) anticipates or demonstrates economic benefits;*

*“(II) incorporates plans to make compost easily accessible to agricultural producers, including community gardeners;*

*“(III) integrates other food waste strategies, including food recovery efforts; and*

*“(IV) provides for collaboration with multiple partners.*

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*“(D) MATCHING REQUIREMENT.—The recipient of assistance for a pilot project under this paragraph shall provide funds, in-kind contributions, or a combination of both from sources other than funds provided through the grant in an amount equal to not less than 25 percent of the amount of the grant.*

*“(E) EVALUATION.—The Secretary shall conduct an evaluation of the pilot projects funded under this paragraph to assess different solutions for increasing access to compost and reducing municipal food waste, including an evaluation of—*

*“(i) the amount of Federal funds used for each project; and*

*“(ii) a measurement of the outcomes of each project.*

*“(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section and the amendments made by this section \$25,000,000 for each of fiscal years 2019 through 2023.”.*

**SEC. 12303. TRIBAL ADVISORY COMMITTEE.**

*Section 309 of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6921) is amended—*

*(1) by striking “The Secretary” and inserting the following:*

*“(a) IN GENERAL.—The Secretary”; and*

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

*“(b) TRIBAL ADVISORY COMMITTEE.—*

*“(1) DEFINITIONS.—In this subsection:*

*“(A) INDIAN TRIBE.—The term ‘Indian tribe’ has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).*

*“(B) RELEVANT COMMITTEES OF CONGRESS.—The term ‘relevant committees of Congress’ means—*

*“(i) the Committee on Agriculture of the House of Representatives;*

*“(ii) the Committee on Agriculture, Nutrition, and Forestry of the Senate; and*

*“(iii) the Committee on Indian Affairs of the Senate.*

*“(C) TRIBAL ORGANIZATION.—The term ‘tribal organization’ has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).*

*“(2) ESTABLISHMENT OF COMMITTEE.—*

*“(A) IN GENERAL.—The Secretary shall establish an advisory committee, to be known as the Tribal Advisory Committee (referred to in this subsection as the ‘Committee’) to provide advice and guidance to the Secretary on matters relating to Tribal and Indian affairs.*

*“(B) FACILITATION.—The Committee shall facilitate, but not supplant, government-to-government consultation between the Department of Agriculture (referred to in this subsection as the ‘Department’) and Indian tribes.*

*“(3) MEMBERSHIP.—*

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*“(A) COMPOSITION.—The Committee shall be composed of 11 members, of whom—*

*“(i) 3 shall be appointed by the Secretary;*

*“(ii) 1 shall be appointed by the chairperson of the Committee on Indian Affairs of the Senate;*

*“(iii) 1 shall be appointed by the ranking member of the Committee on Indian Affairs of the Senate;*

*“(iv) 1 shall be appointed by the chairperson of the Committee on Agriculture, Nutrition, and Forestry of the Senate;*

*“(v) 1 shall be appointed by the ranking member of the Committee on Agriculture, Nutrition, and Forestry of the Senate;*

*“(vi) 2 shall be appointed by the chairperson of the Committee on Agriculture of the House of Representatives; and*

*“(vii) 2 shall be appointed by the ranking member of the Committee on Agriculture of the House of Representatives.*

*“(B) NOMINATIONS.—The Secretary shall accept nominations for members of the Committee from any of the following:*

*“(i) An Indian tribe.*

*“(ii) A tribal organization.*

*“(iii) A national or regional organization with expertise in issues relating to the duties of the Committee described in paragraph (4).*

*“(C) DIVERSITY.—To the maximum extent feasible, the Secretary shall ensure that the members of the Committee represent a diverse set of expertise on issues relating to geographic regions, Indian tribes, and the agricultural industry.*

*“(D) LIMITATION.—No member of the Committee shall be an officer or employee of the Federal Government.*

*“(E) PERIOD OF APPOINTMENT; VACANCIES.—*

*“(i) IN GENERAL.—Each member of the Committee—*

*“(I) subject to clause (ii), shall be appointed to a 3-year term; and*

*“(II) may be reappointed to not more than 3 consecutive terms.*

*“(ii) INITIAL STAGGERING.—The first 3 appointments by the Secretary under paragraph (3)(A)(i) shall be for a 2-year term.*

*“(iii) VACANCIES.—Any vacancy in the Committee shall be filled in the same manner as the original appointment not more than 90 days after the date on which the position becomes vacant.*

*“(F) MEETINGS.—*

*“(i) IN GENERAL.—The Committee shall meet in person not less than twice each year.*

*“(ii) OFFICE OF TRIBAL RELATIONS REPRESENTATIVE.—Not fewer than 1 representative from the Office of Tribal Relations of the Department shall be present at each meeting of the Committee.*

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“(iii) *DEPARTMENT OF INTERIOR REPRESENTATIVE.*—The Assistant Secretary for Indian Affairs of the Department of the Interior (or a designee) shall be present at each meeting of the Committee.

“(iv) *NONVOTING REPRESENTATIVES.*—The individuals described in clauses (ii) and (iii) shall be nonvoting representatives at meetings of the Committee.

“(4) *DUTIES OF COMMITTEE.*—The Committee shall—

“(A) identify evolving issues of relevance to Indian tribes relating to programs of the Department;

“(B) communicate to the Secretary the issues identified under subparagraph (A);

“(C) submit to the Secretary recommendations for, and solutions to—

“(i) the issues identified under subparagraph (A);

“(ii) issues raised at the Tribal, regional, or national level; and

“(iii) issues relating to any Tribal consultation carried out by the Department;

“(D) discuss issues and proposals for changes to the regulations, policies, and procedures of the Department that impact Indian tribes;

“(E) identify priorities and provide advice on appropriate strategies for Tribal consultation on issues at the Tribal, regional, or national level regarding the Department;

“(F) ensure that pertinent issues of the Department are brought to the attention of an Indian tribe in a timely manner so that timely feedback from an Indian tribe can be obtained; and

“(G) identify and propose solutions to any interdepartmental barrier between the Department and other Federal agencies.

“(5) *REPORTS.*—

“(A) *IN GENERAL.*—Not less frequently than once each year, the Committee shall submit to the Secretary and the relevant committees of Congress a report that describes—

“(i) the activities of the Committee during the previous year; and

“(ii) recommendations for legislative or administrative action for the following year.

“(B) *RESPONSE FROM SECRETARY.*—Not more than 45 days after the date on which the Secretary receives a report under subparagraph (A), the Secretary shall submit a written response to that report to—

“(i) the Committee; and

“(ii) the relevant committees of Congress.

“(6) *COMPENSATION OF MEMBERS.*—Members of the Committee shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Committee.

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*“(7) FEDERAL ADVISORY COMMITTEE ACT EXEMPTION.—Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Committee.”.*

**SEC. 12304. BEGINNING FARMER AND RANCHER COORDINATION.**

*Subtitle D of title VII of the Farm Security and Rural Investment Act of 2002 (as amended by sections 7506 and 12301(a)(1)) is further amended by inserting after section 7403 (7 U.S.C. 3119b note; Public Law 107–171) the following:*

**“SEC. 7404. BEGINNING FARMER AND RANCHER COORDINATION.**

*“(a) DEFINITIONS.—In this section:*

*“(1) BEGINNING FARMER OR RANCHER.—The term ‘beginning farmer or rancher’ has the meaning given such term in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)).*

*“(2) NATIONAL COORDINATOR.—The term ‘National Coordinator’ means the National Beginning Farmer and Rancher Coordinator established under subsection (b)(1).*

*“(3) STATE COORDINATOR.—The term ‘State coordinator’ means a State beginning farmer and rancher coordinator designated under subsection (c)(1)(A).*

*“(4) STATE OFFICE.—The term ‘State office’ means—*

*“(A) a State office of—*

*“(i) the Farm Service Agency;*

*“(ii) the Natural Resources Conservation Service;*

*“(iii) the Rural Business-Cooperative Service; or*

*“(iv) the Rural Utilities Service; or*

*“(B) a regional office of the Risk Management Agency.*

*“(b) NATIONAL BEGINNING FARMER AND RANCHER COORDINATOR.—*

*“(1) ESTABLISHMENT.—The Secretary shall establish in the Department the position of National Beginning Farmer and Rancher Coordinator.*

*“(2) DUTIES.—*

*“(A) IN GENERAL.—The National Coordinator shall—*

*“(i) advise the Secretary and coordinate activities of the Department on programs, policies, and issues relating to beginning farmers and ranchers; and*

*“(ii) in consultation with the applicable State food and agriculture council, determine whether to approve a plan submitted by a State coordinator under subsection (c)(3)(B).*

*“(B) DISCRETIONARY DUTIES.—Additional duties of the National Coordinator may include—*

*“(i) developing and implementing new strategies—*

*“(I) for outreach to beginning farmers and ranchers; and*

*“(II) to assist beginning farmers and ranchers with connecting to owners or operators that have ended, or expect to end within 5 years, actively owning or operating a farm or ranch; and*

*“(ii) facilitating interagency and interdepartmental collaboration on issues relating to beginning farmers and ranchers.*



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“(3) *REPORTS.*—Not less frequently than once each year, the National Coordinator shall distribute within the Department and make publicly available a report describing the status of steps taken to carry out the duties described in subparagraphs (A) and (B) of paragraph (2).

“(4) *CONTRACTS AND COOPERATIVE AGREEMENTS.*—In carrying out the duties under paragraph (2), the National Coordinator may enter into a contract or cooperative agreement with an institution of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)), cooperative extension services (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)), or a nonprofit organization—

“(A) to conduct research on the profitability of new farms in operation for not less than 5 years in a region;

“(B) to develop educational materials;

“(C) to conduct workshops, courses, training, or certified vocational training; or

“(D) to conduct mentoring activities.

“(c) *STATE BEGINNING FARMER AND RANCHER COORDINATORS.*—

“(1) *IN GENERAL.*—

“(A) *DESIGNATION.*—The National Coordinator, in consultation with State food and agriculture councils and directors of State offices, shall designate in each State a State beginning farmer and rancher coordinator from among employees of State offices.

“(B) *REQUIREMENTS.*—To be designated as a State coordinator, an employee shall—

“(i) be familiar with issues relating to beginning farmers and ranchers; and

“(ii) have the ability to coordinate with other Federal departments and agencies.

“(2) *TRAINING.*—The Secretary shall develop a training plan to provide to each State coordinator knowledge of programs and services available from the Department for beginning farmers and ranchers, taking into consideration the needs of all production types and sizes of agricultural operations.

“(3) *DUTIES.*—A State coordinator shall—

“(A) coordinate technical assistance at the State level to assist beginning farmers and ranchers in accessing programs of the Department;

“(B) develop and submit to the National Coordinator for approval under subsection (b)(2)(A)(ii) a State plan to improve the coordination, delivery, and efficacy of programs of the Department to beginning farmers and ranchers, taking into consideration the needs of all types of production methods and sizes of agricultural operation, at each county and area office in the State;

“(C) oversee implementation of an approved State plan described in subparagraph (B);

“(D) work with outreach coordinators in the State offices to ensure appropriate information about technical assistance is available at outreach events and activities; and



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*“(E) coordinate partnerships and joint outreach efforts with other organizations and government agencies serving beginning farmers and ranchers.”*

**SEC. 12305. AGRICULTURAL YOUTH ORGANIZATION COORDINATOR.**

*Subtitle D of title VII of the Farm Security and Rural Investment Act of 2002 (as amended by sections 7506, section 12301(a)(1), and 12304) is further amended by inserting after section 7404, as added by section 12304, the following:*

**“SEC. 7405. AGRICULTURAL YOUTH ORGANIZATION COORDINATOR.**

*“(a) AUTHORIZATION.—The Secretary shall establish in the Department the position of Agricultural Youth Organization Coordinator.*

*“(b) DUTIES.—The Agricultural Youth Organization Coordinator shall—*

*“(1) promote the role of youth-serving organizations and school-based agricultural education in motivating and preparing young people to pursue careers in the agriculture, food, and natural resources systems;*

*“(2) work to help build youth awareness of the reach and importance of agriculture, across a diversity of fields and disciplines;*

*“(3) identify short-term and long-term interests of the Department and provide opportunities, resources, input, and coordination with programs and agencies of the Department to youth-serving organizations and school-based agricultural education, including the development of internship opportunities;*

*“(4) share, internally and externally, the extent to which active steps are being taken to encourage collaboration with, and support of, youth-serving organizations and school-based agricultural education;*

*“(5) provide information to youth involved in food and agriculture organizations concerning the availability of, and eligibility requirements for, participation in agricultural programs, with particular emphasis on beginning farmer and rancher programs;*

*“(6) serve as a resource for assisting youth involved in food and agriculture organizations in applying for participation in agriculture; and*

*“(7) advocate on behalf of youth involved in food and agriculture organizations in interactions with employees of the Department.*

*“(c) CONTRACTS AND COOPERATIVE AGREEMENTS.—For purposes of carrying out the duties under subsection (b), the Agricultural Youth Organization Coordinator shall consult with the cooperative extension and the land-grant university systems, and may enter into contracts or cooperative agreements with the research centers of the Agricultural Research Service, cooperative extension and the land-grant university systems, non-land-grant colleges of agriculture, or nonprofit organizations for—*

*“(1) the conduct of regional research on the profitability of small farms;*

*“(2) the development of educational materials;*

*“(3) the conduct of workshops, courses, and certified vocational training;*

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*“(4) the conduct of mentoring activities; or  
“(5) the provision of internship opportunities.”.*

**SEC. 12306. AVAILABILITY OF DEPARTMENT OF AGRICULTURE PROGRAMS FOR VETERAN FARMERS AND RANCHERS.**

*(a) DEFINITION OF VETERAN FARMER OR RANCHER.—Paragraph (7) of subsection (a) (as redesignated by section 12301(b)(3)) of section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279) is amended—*

- (1) in subparagraph (A), by striking “or” at the end;*
- (2) in subparagraph (B), by striking the period at the end and inserting “; or”; and*
- (3) by adding at the end the following:  
“(C) is a veteran (as defined in section 101 of that title) who has first obtained status as a veteran (as so defined) during the most recent 10-year period.”.*

*(b) FEDERAL CROP INSURANCE.—*

*(1) DEFINITION OF VETERAN FARMER OR RANCHER.—Section 502(b) of the Federal Crop Insurance Act (7 U.S.C. 1502(b)) (as amended by section 11101) is amended by adding at the end the following:*

- “(14) VETERAN FARMER OR RANCHER.—The term ‘veteran farmer or rancher’ means a farmer or rancher who—  
“(A) has served in the Armed Forces (as defined in section 101 of title 38, United States Code); and  
“(B)(i) has not operated a farm or ranch;  
“(ii) has operated a farm or ranch for not more than 5 years; or  
“(iii) is a veteran (as defined in section 101 of that title) who has first obtained status as a veteran (as so defined) during the most recent 5-year period.”.*

*(2) CROP INSURANCE.—Section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508) is amended—*

*(A) in subsection (b)(5)(E)—*

*(i) by striking “The Corporation” and inserting the following:*

*“(i) IN GENERAL.—The Corporation”; and*

*(ii) in clause (i) (as so designated), by striking the period at the end and inserting the following: “; and veteran farmers or ranchers.*

*“(ii) COORDINATION.—The Corporation shall coordinate with other agencies of the Department that provide programs or services to farmers and ranchers described in clause (i) to make available coverage under the waiver under that clause and to share eligibility information to reduce paperwork and avoid duplication.”;*

*(B) in subsection (e)(8)—*

*(i) in the paragraph heading, by inserting “AND VETERAN” after “BEGINNING”; and*

*(ii) by inserting “or veteran farmer or rancher” after “beginning farmer or rancher” each place it appears; and*

*(C) in subsection (g)—*

*(i) in paragraph (2)(B)(iii), in the matter preceding subclause (I), by inserting “or veteran farmer or ranch-*

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er” after “beginning farmer or rancher” each place it appears; and

(ii) in paragraph (4)(B)(ii)(II), by inserting “and veteran farmers or ranchers” after “beginning farmers or ranchers”.

(3) **EDUCATION AND RISK MANAGEMENT ASSISTANCE.**—Paragraph (3) of section 524(a) of the Federal Crop Insurance Act (7 U.S.C. 1524(a)), as redesignated by section 11125(a)(3), is amended—

(A) in subparagraph (D)(ii), by striking “and” at the end;

(B) in subparagraph (E), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(F) veteran farmers or ranchers.”.

(c) **DOWN PAYMENT LOAN PROGRAM.**—Section 310E of the Consolidated Farm and Rural Development Act (7 U.S.C. 1935) is amended—

(1) in subsection (a)(1), by striking “qualified beginning farmers or ranchers and socially disadvantaged farmers or ranchers” and inserting “eligible farmers or ranchers”;

(2) in subsection (d)—

(A) in paragraph (2)(A), by striking “recipients of the loans” and inserting “farmers or ranchers”;

(B) by striking paragraph (3) and inserting the following:

“(3) encourage retiring farmers and ranchers to assist in the sale of their farms and ranches to eligible farmers or ranchers by providing seller financing;”;

(C) in paragraph (4), by striking “for beginning farmers or ranchers or socially disadvantaged farmers or ranchers” and inserting the following: “for—

“(A) beginning farmers or ranchers;

“(B) socially disadvantaged farmers or ranchers, as defined in section 355(e); or

“(C) veteran farmers or ranchers, as defined in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)); and”; and

(D) in paragraph (5), by striking “a qualified beginning farmer or rancher or socially disadvantaged farmer or rancher” and inserting “an eligible farmer or rancher”; and (3) by striking subsection (e) and inserting the following:

“(e) **DEFINITION OF ELIGIBLE FARMER OR RANCHER.**—In this section, the term ‘eligible farmer or rancher’ means—

“(1) a qualified beginning farmer or rancher;

“(2) a socially disadvantaged farmer or rancher, as defined in section 355(e); and

“(3) a veteran farmer or rancher, as defined in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)).”.

(d) **INTEREST RATE REDUCTION PROGRAM.**—Section 351(e)(2)(B) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1999(e)(2)(B)) is amended—

(1) in the subparagraph heading, by inserting “AND VETERAN” after “BEGINNING”;

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(2) in clause (i), by inserting “or veteran farmers and ranchers (as defined in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)))” before the period at the end; and

(3) in clause (ii), by striking “beginning”.

(e) NATIONAL FOOD SAFETY TRAINING, EDUCATION, EXTENSION, OUTREACH, AND TECHNICAL ASSISTANCE PROGRAM.—Section 405(c) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7625(c)) is amended by inserting “veteran farmers or ranchers (as defined in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a))),” after “socially disadvantaged farmers.”

(f) ADMINISTRATION AND OPERATION OF NONINSURED CROP ASSISTANCE PROGRAM.—Section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333) is amended—

(1) in subsection (k)(2), by inserting “, or a veteran farmer or rancher (as defined in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)))” before the period at the end; and

(2) in subsection (l), in paragraph (3) (as redesignated by section 1601(7)(D))—

(A) in the paragraph heading, by inserting “VETERAN,” before “AND SOCIALLY”; and

(B) by inserting “and veteran farmers or ranchers (as defined in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)))” before “in exchange”.

(g) FUNDING FOR TRANSITION OPTION FOR CERTAIN FARMERS OR RANCHERS.—Section 1241(a)(1)(B) of the Food Security Act of 1985 (16 U.S.C. 3841(a)(1)(B)) is amended by striking “beginning farmers or ranchers and socially disadvantaged farmers or ranchers” and inserting “covered farmers or ranchers, as defined in section 1235(f)(1)”.

(h) SUPPLEMENTAL AGRICULTURAL DISASTER ASSISTANCE.—

(1) DEFINITION OF COVERED PRODUCER.—Section 1501(a) of the Agricultural Act of 2014 (7 U.S.C. 9081(a)) is amended—

(A) by redesignating paragraphs (1) through (4) as paragraphs (2) through (5), respectively; and

(B) by inserting before paragraph (2) (as so redesignated) the following:

“(1) COVERED PRODUCER.—The term ‘covered producer’ means an eligible producer on a farm that is—

“(A) as determined by the Secretary—

“(i) a beginning farmer or rancher;

“(ii) a socially disadvantaged farmer or rancher; or

“(iii) a limited resource farmer or rancher; or

“(B) a veteran farmer or rancher, as defined in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)).”

(2) EMERGENCY ASSISTANCE FOR LIVESTOCK, HONEY BEES, AND FARM-RAISED FISH.—Section 1501(d) of the Agricultural Act of 2014 (7 U.S.C. 9081(d)) is amended by adding at the end the following:

“(4) PAYMENT RATE FOR COVERED PRODUCERS.—In the case of a covered producer that is eligible to receive assistance under

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*this subsection, the Secretary shall provide reimbursement of 90 percent of the cost of losses described in paragraph (1) or (2).”.*

## **Subtitle D—Department of Agriculture Reorganization Act of 1994 Amendments**

### **SEC. 12401. OFFICE OF CONGRESSIONAL RELATIONS AND INTERGOVERNMENTAL AFFAIRS.**

*(a) ASSISTANT SECRETARIES OF AGRICULTURE.—Section 218(a)(1) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6918(a)(1)) is amended by striking “Relations” and inserting “Relations and Intergovernmental Affairs”.*

*(b) SUCCESSION.—Any official who is serving as the Assistant Secretary of Agriculture for Congressional Relations on the date of enactment of this Act and who was appointed by the President, by and with the advice and consent of the Senate, shall not be required to be reappointed as a result of the change made to the name of that position under the amendment made by subsection (a).*

### **SEC. 12402. MILITARY VETERANS AGRICULTURAL LIAISON.**

*Section 219 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6919) is amended—*

*(1) in subsection (b)—*

*(A) in paragraph (3), by striking “and” at the end;*

*(B) in paragraph (4), by striking the period at the end and inserting a semicolon; and*

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

*“(5) establish and periodically update the website described in subsection (d); and*

*“(6) in carrying out the duties described in paragraphs (1) through (5), consult with and provide technical assistance to any Federal agency, including the Department of Defense, the Department of Veterans Affairs, the Small Business Administration, and the Department of Labor.”; and*

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

*“(d) WEBSITE REQUIRED.—*

*“(1) IN GENERAL.—The website required under subsection (b)(5) shall include the following:*

*“(A) Positions identified within the Department of Agriculture that are available to veterans for apprenticeships.*

*“(B) Apprenticeships, programs of training on the job, and programs of education that are approved for purposes of chapter 36 of title 38, United States Code.*

*“(C) Employment skills training programs for members of the Armed Forces carried out pursuant to section 1143(e) of title 10, United States Code.*

*“(D) Information designed to assist businesses, non-profit entities, educational institutions, and farmers interested in developing apprenticeships, on-the-job training, educational, or entrepreneurial programs for veterans in navigating the process of having a program approved by a State approving agency for purposes of chapter 36 of title 38, United States Code, including—*

*“(i) contact information for relevant offices in the Department of Defense, Department of Veterans Af-*



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*fairs, Department of Labor, and Small Business Administration;*

*“(ii) basic requirements for approval by each State approving agency;*

*“(iii) recommendations with respect to training and coursework to be used during apprenticeships or on-the-job training that will enable a veteran to be eligible for agricultural programs; and*

*“(iv) examples of successful programs and curriculums that have been approved for purposes of chapter 36 of title 38, United States Code (with consent of the organization and without any personally identifiable information).*

*“(2) REVIEW OF WEBSITE.—*

*“(A) IN GENERAL.—Not later than 5 years after the date of enactment of this paragraph, and once every 5 years thereafter, the Secretary shall conduct a study to determine if the website required under subsection (b)(5) is effective in providing veterans the information required under paragraph (1).*

*“(B) INEFFECTIVE WEBSITE.—If the Secretary determines that the website is not effective under subparagraph (A), the Secretary shall—*

*“(i) notify the agriculture and veterans committees described in subparagraph (C) of that determination; and*

*“(ii) not earlier than 180 days after the date on which the Secretary provides notice under clause (i), terminate the website.*

*“(C) AGRICULTURE AND VETERANS COMMITTEES.—The agriculture and veterans committees referred to in subparagraph (B)(i) are—*

*“(i) the Committee on Agriculture of the House of Representatives;*

*“(ii) the Committee on Agriculture, Nutrition, and Forestry of the Senate;*

*“(iii) the Committee on Veterans’ Affairs of the House of Representatives; and*

*“(iv) the Committee on Veterans’ Affairs of the Senate.*

*“(e) CONSULTATION REQUIRED.—In carrying out this section, the Secretary shall consult with organizations that serve veterans.*

*“(f) REPORT.—*

*“(1) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, and annually thereafter, the Military Veterans Agricultural Liaison shall submit a report on beginning farmer training for veterans and agricultural vocational and rehabilitation programs for veterans to—*

*“(A) the Committee on Agriculture of the House of Representatives;*

*“(B) the Committee on Veterans’ Affairs of the House of Representatives;*

*“(C) the Committee on Agriculture, Nutrition, and Forestry of the Senate; and*

*“(D) the Committee on Veterans’ Affairs of the Senate.*



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“(2) *CONTENTS OF REPORT.*—The report submitted under paragraph (1) shall include—

“(A) a summary of the measures taken to carry out subsections (b) and (c);

“(B) a description of the information provided to veterans under paragraphs (1) and (2) of subsection (b);

“(C) recommendations for best informing veterans of the programs described in paragraphs (1) and (2) of subsection (b);

“(D) a summary of the contracts or cooperative agreements entered into under subsection (c);

“(E) a description of the programs implemented under subsection (c);

“(F) a summary of the employment outreach activities directed to veterans;

“(G) recommendations for how opportunities for veterans in agriculture should be developed or expanded;

“(H) a summary of veteran farm lending data and a summary of shortfalls, if any, identified by the Military Veterans Agricultural Liaison in collecting data with respect to veterans engaged in agriculture; and

“(I) recommendations, if any, on how to improve activities under subsection (b).

“(g) *PUBLIC DISSEMINATION OF INFORMATION.*—

“(1) *IN GENERAL.*—Not later than 1 year after the date of enactment of this subsection, and annually thereafter, the Military Veterans Agricultural Liaison shall make publicly available and share broadly, including by posting on the website of the Department—

“(A) the report of the Military Veterans Agricultural Liaison on beginning farmer training for veterans and agricultural vocational and rehabilitation programs; and

“(B) the information disseminated under paragraphs (1) and (2) of subsection (b).

“(2) *FURTHER DISSEMINATION.*—Not later than the day before the date on which the Military Veterans Agricultural Liaison makes publicly available the information under paragraph (1), the Military Veterans Agricultural Liaison shall provide that information to the Department of Defense, the Department of Veterans Affairs, the Small Business Administration, and the Department of Labor.”.

**SEC. 12403. CIVIL RIGHTS ANALYSES.**

(a) *IN GENERAL.*—The Secretary shall conduct civil rights impact analyses in accordance with Departmental Regulation 4300-004 issued by the Department of Agriculture on October 17, 2016, with respect to the Department of Agriculture’s employment, federally-conducted programs and activities, and federally-assisted programs and activities.

(b) *STUDY; REPORT.*—

(1) *STUDY.*—Not later than 2 years after the date of enactment of this Act, the Comptroller General of the United States (referred to in this section as the “Comptroller General”) shall conduct a study describing—

(A) the effectiveness of the Department of Agriculture in processing and resolving civil rights complaints;

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(B) minority participation rates in farm programs, including a comparison of overall farmer and rancher participation with minority farmer and rancher participation by considering particular aspects of the programs of the Department of Agriculture for producers, such as ownership status, program participation, usage of permits, and waivers;

(C) the realignment of the civil rights functions of the Department of Agriculture, as outlined in Secretarial Memorandum 1076–023 (March 9, 2018), including an analysis of whether that realignment has any negative implications on the civil rights functions of the Department;

(D) efforts of the Department of Agriculture to identify actions, programs, or activities of the Department of Agriculture that may adversely affect employees, contractors, or beneficiaries (including participants) of the action, program, or activity based on the membership of the employees, contractors, or beneficiaries in a group that is protected under Federal law from discrimination in employment, contracting, or provision of an action, program, or activity, as applicable; and

(E) efforts of the Department of Agriculture to strategically plan actions to decrease discrimination and civil rights complaints within the Department of Agriculture or in the carrying out of the programs and authorities of the Department of Agriculture.

(2) REPORT.—Not later than 60 days after the date of completion of the study under paragraph (1), the Comptroller General shall submit a report describing the results of the study to—

(A) the Committee on Agriculture of the House of Representatives; and

(B) the Committee on Agriculture, Nutrition, and Forestry of the Senate.

**SEC. 12404. FARM SERVICE AGENCY.**

(a) IN GENERAL.—Section 226 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6932) is amended—

(1) in the section heading, by striking “CONSOLIDATED FARM” and inserting “FARM”;

(2) in subsection (b), in the subsection heading, by striking “OF CONSOLIDATED FARM SERVICE AGENCY”; and

(3) by striking “Consolidated Farm” each place it appears and inserting “Farm”.

(b) CONFORMING AMENDMENTS.—

(1) Section 246 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6962) is amended—

(A) in subsection (c), by striking “Consolidated Farm” each place it appears and inserting “Farm”; and

(B) in subsection (e)(2), by striking “Consolidated Farm” each place it appears and inserting “Farm”.

(2) Section 271(2)(A) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6991(2)(A)) is amended by striking “Consolidated Farm” each place it appears and inserting “Farm”.

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(3) *Section 275(b) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6995(b)) is amended by striking “Consolidated Farm” each place it appears and inserting “Farm”.*

**SEC. 12405. UNDER SECRETARY OF AGRICULTURE FOR FARM PRODUCTION AND CONSERVATION.**

(a) *OFFICE OF RISK MANAGEMENT.—Section 226A(d)(1) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6933(d)(1)) is amended by striking “Under Secretary of Agriculture for Farm and Foreign Agricultural Services” and inserting “Under Secretary of Agriculture for Farm Production and Conservation”.*

(b) *MULTIAGENCY TASK FORCE.—Section 242(b)(3) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6952(b)(3)) is amended by striking “Under Secretary for Farm and Foreign Agricultural Services” and inserting “Under Secretary of Agriculture for Farm Production and Conservation”.*

(c) *FOOD AID CONSULTATIVE GROUP.—Section 205(b)(2) of the Food for Peace Act (7 U.S.C. 1725(b)(2)) is amended by striking “Under Secretary of Agriculture for Farm and Foreign Agricultural Services” and inserting “Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs”.*

(d) *INTERAGENCY COMMITTEE ON MINORITY CAREERS IN INTERNATIONAL AFFAIRS.—Section 625(c)(1)(A) of the Higher Education Act of 1965 (20 U.S.C. 1131c(c)(1)(A)) is amended by striking “Under Secretary” and all that follows through “designee” and inserting “Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs, or the designee of that Under Secretary”.*

**SEC. 12406. OFFICE OF PARTNERSHIPS AND PUBLIC ENGAGEMENT.**

(a) *CHANGING NAME OF OFFICE.—*

(1) *IN GENERAL.—Section 226B of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6934) is amended—*

(A) *in the section heading, by striking “ADVOCACY AND OUTREACH” and inserting “PARTNERSHIPS AND PUBLIC ENGAGEMENT”;* and

(B) *by striking “Advocacy and Outreach” each place it appears in subsections (a)(2), (b)(1), and (d)(4)(B) and inserting “Partnerships and Public Engagement”.*

(2) *REFERENCES.—Beginning on the date of the enactment of this Act, any reference to the Office of Advocacy and Outreach established under section 226B of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6934) in any provision of Federal law shall be deemed to be a reference to the Office of Partnerships and Public Engagement.*

(b) *INCREASING OUTREACH.—Section 226B of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6934), as amended by subsection (a), is further amended—*

(1) *in subsection (b)(1)—*

(A) *in subparagraph (A), by striking “and” at the end;*

(B) *in subparagraph (B)—*

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

(ii) *in clause (iii), by striking the period at the end and inserting a semicolon; and*

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(iii) by adding at the end the following new clauses:

“(iv) limited resource producers; and

“(v) veteran farmers and ranchers; and”; and

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

“(C) to promote youth outreach.”; and

(2) in subsection (c)—

(A) in the matter preceding paragraph (1), by inserting “veteran farmers and ranchers,” after “beginning farmers or ranchers,”;

(B) in paragraph (1), by striking “or socially disadvantaged” and inserting “socially disadvantaged, or veteran”; and

(C) in paragraph (5), by inserting “veteran farmers or ranchers,” after “beginning farmers or ranchers.”.

(c) **AUTHORIZATION OF APPROPRIATIONS.**—Section 226B(f)(3)(B) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6934(f)(3)(B)) is amended by striking “2018” and inserting “2023”.

**SEC. 12407. UNDER SECRETARY OF AGRICULTURE FOR RURAL DEVELOPMENT.**

Section 231 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6941) is amended—

(1) in subsection (a), by striking “is authorized to” and inserting “shall”; and

(2) in subsection (b), by striking “If the Secretary” and all that follows through “the Under Secretary shall” and inserting “The Under Secretary of Agriculture for Rural Development shall”.

**SEC. 12408. ADMINISTRATOR OF THE RURAL UTILITIES SERVICE.**

(a) **RATE OF PAY.**—

(1) **IN GENERAL.**—Section 232(b) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6942(b)) is amended to read as follows:

“(b) **ADMINISTRATOR.**—

“(1) **APPOINTMENT.**—The Rural Utilities Service shall be headed by an Administrator who shall be appointed by the President.

“(2) **COMPENSATION.**—The Administrator of the Rural Utilities Service shall receive basic pay at a rate not to exceed the maximum amount of compensation payable to a member of the Senior Executive Service under subsection (b) of section 5382 of title 5, United States Code.”.

(2) **CONFORMING AMENDMENT.**—Section 5315 of title 5, United States Code, is amended by striking “Administrator, Rural Utilities Service, Department of Agriculture.”.

(b) **OTHER AMENDMENT RELATING TO ADMINISTRATOR.**—Section 748 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2002 (7 U.S.C. 918b) is amended by inserting “the Secretary of Agriculture, acting through” before “the Administrator of the Rural Utilities Service”.

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**SEC. 12409. RURAL HEALTH LIAISON.**

*Subtitle C of title II of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6941 et seq.) is amended by adding at the end the following:*

**“SEC. 236. RURAL HEALTH LIAISON.**

*“(a) AUTHORIZATION.—The Secretary shall establish in the Department the position of Rural Health Liaison.*

*“(b) DUTIES.—The Rural Health Liaison shall—*

*“(1) in consultation with the Secretary of Health and Human Services, coordinate the role of the Department with respect to rural health;*

*“(2) integrate across the Department the strategic planning and activities relating to rural health;*

*“(3) improve communication relating to rural health within the Department and between Federal agencies;*

*“(4) advocate on behalf of the health care and relevant infrastructure needs in rural areas;*

*“(5) provide to stakeholders, potential grant applicants, Federal agencies, State agencies, Indian Tribes, private organizations, and academic institutions relevant data and information, including the eligibility requirements for, and availability and outcomes of, Department programs applicable to the advancement of rural health;*

*“(6) maintain communication with public health, medical, occupational safety, and telecommunication associations, research entities, and other stakeholders to ensure that the Department is aware of current and upcoming issues relating to rural health;*

*“(7) consult on programs, pilot projects, research, training, and other affairs relating to rural health at the Department and other Federal agencies;*

*“(8) provide expertise on rural health to support the activities of the Secretary as Chair of the Council on Rural Community Innovation and Economic Development; and*

*“(9) provide technical assistance and guidance with respect to activities relating to rural health to the outreach, extension, and county offices of the Department.”.*

**SEC. 12410. NATURAL RESOURCES CONSERVATION SERVICE.**

*(a) FIELD OFFICES.—Section 246 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6962) (as amended by section 12404(b)(1)) is amended by adding at the end the following:*

*“(g) FIELD OFFICES.—*

*“(1) IN GENERAL.—The Secretary shall not close any field office of the Natural Resources Conservation Service unless, not later than 30 days before the date of the closure, the Secretary submits to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a notification of the closure.*

*“(2) EMPLOYEES.—The Secretary shall not permanently relocate any field-based employees of the Natural Resources Conservation Service or the rural development mission area if doing so would result in a field office of the Natural Resources Conservation Service or the rural development mission area with 2 or fewer employees, unless, not later than 30 days before*



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*the date of the permanent relocation, the Secretary submits to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a notification of the permanent relocation.*

*“(3) SUNSET.—The requirements under paragraphs (1) and (2) shall cease to be effective on September 30, 2023.”.*

*(b) TECHNICAL CORRECTIONS.—Section 246 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6962) (as amended by subsection (a)) is further amended—*

*(1) in subsection (b)—*

*(A) by striking paragraph (2);*

*(B) by redesignating paragraphs (3) through (6) as paragraphs (2) through (5), respectively;*

*(C) in paragraph (4) (as so redesignated), by inserting “; Public Law 101–624” after “note”; and*

*(D) in paragraph (5) (as so redesignated), by striking “3831–3836” and inserting “3831 et seq.”; and*

*(2) in subsection (c), in the matter preceding paragraph (1), by striking “paragraphs (1), (2), and (4) of subsection (b) and the program under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837–3837f)” and inserting “paragraphs (1) and (3) of subsection (b)”.*

*(c) RELOCATION IN ACT.—*

*(1) IN GENERAL.—Section 246 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6962) (as amended by subsections (a) and (b)) is—*

*(A) redesignated as section 228; and*

*(B) moved so as to appear at the end of subtitle B of title II (7 U.S.C. 6931 et seq.).*

*(2) CONFORMING AMENDMENTS.—*

*(A) Section 226 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6932) (as amended by section 12404(a)) is amended—*

*(i) in subsection (b)(5), by striking “section 246(b)” and inserting “section 228(b)”;* and

*(ii) in subsection (g)(2), by striking “section 246(b)” and inserting “section 228(b)”.*

*(B) Section 271(2)(F) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6991(2)(F)) is amended by striking “section 246(b)” and inserting “section 228(b)”.*

**SEC. 12411. OFFICE OF THE CHIEF SCIENTIST.**

*(a) IN GENERAL.—Section 251(e) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6971(e)) is amended—*

*(1) in the subsection heading, by striking “RESEARCH, EDUCATION, AND EXTENSION OFFICE” and inserting “OFFICE OF THE CHIEF SCIENTIST”;*

*(2) in paragraph (1), by striking “Research, Education, and Extension Office” and inserting “Office of the Chief Scientist”;*

*(3) in paragraph (2), in the matter preceding subparagraph (A), by striking “Research, Education, and Extension Office” and inserting “Office of the Chief Scientist”;*

*(4) in paragraph (3)(C), by striking “subparagraph (A) shall not exceed 4 years” and inserting “clauses (i) and (iii) of subparagraph (A) shall be for not less than 3 years”;*



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(5) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively;

(6) by inserting after paragraph (3) the following:

“(4) **ADDITIONAL LEADERSHIP DUTIES.**—In addition to selecting the Division Chiefs under paragraph (3), using available personnel authority under title 5, United States Code, the Under Secretary shall select personnel—

“(A) to oversee implementation, training, and compliance with the scientific integrity policy of the Department;

“(B)(i) to integrate strategic program planning and evaluation functions across the programs of the Department; and

“(ii) to help prepare the annual report to Congress on the relevance and adequacy of programs under the jurisdiction of the Under Secretary;

“(C) to assist the Chief Scientist in coordinating the international engagements of the Department with the Department of State and other international agencies and offices of the Federal Government; and

“(D) to oversee other duties as may be required by Federal law or Department policy.”;

(7) in paragraph (5) (as so redesignated)—

(A) in subparagraph (A), by striking “Notwithstanding” and inserting the following:

“(i) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated such sums as are necessary to fund the costs of Division personnel.

“(ii) **ADDITIONAL FUNDING.**—In addition to amounts made available under clause (i), notwithstanding”; and

(B) in subparagraph (C)—

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

(ii) in clause (ii), by striking the period at the end and inserting “; and”; and

(iii) by adding at the end the following:

“(iii) provides strong staff continuity to the Office of the Chief Scientist.”; and

(8) in paragraph (6) (as so redesignated), by striking “Research, Education and Extension Office” and inserting “Office of the Chief Scientist”.

(b) **CONFORMING AMENDMENTS.**—

(1) Section 251(f)(5)(B) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6971(f)(5)(B)) is amended by striking “Research, Education and Extension Office” and inserting “Office of the Chief Scientist”.

(2) Section 296(b)(6)(B) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 7014(b)(6)(B)) is amended by striking “Research, Education, and Extension Office” and inserting “Office of the Chief Scientist”.

**SEC. 12412. APPOINTMENT OF NATIONAL APPEALS DIVISION HEARING OFFICERS.**

Section 272(e) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6992(e)) is amended to read as follows:

“(e) **DIVISION PERSONNEL.**—

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“(1) *IN GENERAL.*—The Director shall recommend to the Secretary persons for appointment as hearing officers as are necessary for the conduct of hearings under section 277. The Director shall appoint such other employees as are necessary for the administration of the Division. A hearing officer or other employee of the Division shall have no duties other than those that are necessary to carry out this subtitle. Each position of the Division shall be filled by an individual who is not a political appointee.

“(2) *POLITICAL APPOINTEE.*—In this subsection, the term ‘political appointee’ means an individual occupying—

“(A) a position described under sections 5312 through 5316 of title 5, United States Code (relating to the Executive Schedule);

“(B) a noncareer position in the Senior Executive Service, as described under section 3132(a)(7) of that title;

“(C) a position in the executive branch of the Government of a confidential or policy-determining character under schedule C of subpart C of part 213 of title 5, Code of Federal Regulations; or

“(D) a position which has been excepted from the competitive service by reason of its confidential, policy-determining, policy-making, or policy-advocating character.”.

**SEC. 12413. TRADE AND FOREIGN AGRICULTURAL AFFAIRS.**

The Department of Agriculture Reorganization Act of 1994 is amended—

(1) by redesignating subtitle J (7 U.S.C. 7011 et seq.) as subtitle K; and

(2) by inserting after subtitle I (7 U.S.C. 7005 et seq.) the following:

**“Subtitle J—Trade and Foreign  
Agricultural Affairs**

**“SEC. 287. UNDER SECRETARY OF AGRICULTURE FOR TRADE AND FOREIGN AGRICULTURAL AFFAIRS.**

“(a) *ESTABLISHMENT.*—There is established in the Department the position of Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs.

“(b) *APPOINTMENT.*—The Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs shall be appointed by the President, by and with the advice and consent of the Senate.

“(c) *FUNCTIONS.*—

“(1) *PRINCIPAL FUNCTIONS.*—The Secretary shall delegate to the Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs those functions and duties under the jurisdiction of the Department that are related to trade and foreign agricultural affairs.

“(2) *ADDITIONAL FUNCTIONS.*—The Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs shall perform such other functions and duties as may be—

“(A) required by law; or

“(B) prescribed by the Secretary.”.

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**SEC. 12414. REPEALS.**

(a) *DEPARTMENT OF AGRICULTURE REORGANIZATION ACT OF 1994.*—The following provisions of the Department of Agriculture Reorganization Act of 1994 are repealed:

- (1) Section 211 (7 U.S.C. 6911).
- (2) Section 213 (7 U.S.C. 6913).
- (3) Section 214 (7 U.S.C. 6914).
- (4) Section 217 (7 U.S.C. 6917).
- (5) Section 247 (7 U.S.C. 6963).
- (6) Section 252 (7 U.S.C. 6972).
- (7) Section 295 (7 U.S.C. 7013).

(b) *OTHER PROVISION.*—Section 3208 of the Agricultural Act of 2014 (7 U.S.C. 6935) is repealed.

(c) *RULE OF CONSTRUCTION.*—Nothing in the amendments made by this section shall be construed as affecting—

(1) the authority of the Secretary to continue to carry out a function vested in, and performed by, the Secretary as of the date of enactment of this Act under any provision of Federal law other than the provisions repealed by subsections (a) and (b); or

(2) the authority of an agency, office, officer, or employee of the Department of Agriculture to continue to perform all functions delegated or assigned to the agency, office, officer, or employee as of the date of enactment of this Act any provision of Federal law other than the provisions repealed by subsections (a) and (b).

**SEC. 12415. TECHNICAL CORRECTIONS.**

(a) *OFFICE OF RISK MANAGEMENT.*—Section 226A(a) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6933(a)) is amended by striking “Subject to subsection (e), the Secretary” and inserting “The Secretary”.

(b) *CORRECTION OF ERROR.*—

(1) *ASSISTANT SECRETARIES OF AGRICULTURE.*—Section 218 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6918) (as in effect on the day before the effective date of the amendments made by section 2(a)(1) of the Presidential Appointment Efficiency and Streamlining Act of 2011 (Public Law 112–166; 126 Stat. 1283, 1295)) is amended by striking “Senate.” in subsection (b) and all that follows through “responsibility for—” in the matter preceding paragraph (1) of subsection (d) and inserting the following: “Senate.”

(c) *DUTIES OF ASSISTANT SECRETARY OF AGRICULTURE FOR CIVIL RIGHTS.*—The Secretary may delegate to the Assistant Secretary for Civil Rights responsibility for—

(2) *EFFECTIVE DATE.*—The amendments made by paragraph (1) take effect on the effective date described in section 6(a) of the Presidential Appointment Efficiency and Streamlining Act of 2011 (Public Law 112–166; 126 Stat. 1295).

**SEC. 12416. TERMINATION OF AUTHORITY.**

Section 296(b) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 7014(b)) is amended by adding at the end the following:

“(9) The authority of the Secretary to carry out the amendments made to this title by section 772 of the Agriculture, Rural

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*Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2018.*

*“(10) The authority of the Secretary to carry out the amendments made to this title by the Agriculture Improvement Act of 2018.”.*

## ***Subtitle E—Other Miscellaneous Provisions***

### ***PART I—MISCELLANEOUS AGRICULTURE PROVISIONS***

#### ***SEC. 12501. ACER ACCESS AND DEVELOPMENT PROGRAM.***

*Section 12306(f) of the Agricultural Act of 2014 (7 U.S.C. 1632c(f) is amended by striking “2018” and inserting “2023”.*

#### ***SEC. 12502. PROTECTING ANIMALS WITH SHELTER.***

*(a) CRIMES RELATED TO DOMESTIC VIOLENCE AND STALKING TARGETING PETS.—*

*(1) INTERSTATE STALKING.—Section 2261A of title 18, United States Code, is amended—*

*(A) in paragraph (1)(A)—*

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

*(ii) by inserting after clause (iii) the following:*

*“(iv) the pet, service animal, emotional support animal, or horse of that person; or”;* and

*(B) in paragraph (2)(A)—*

*(i) by inserting after “to a person” the following: “, a pet, a service animal, an emotional support animal, or a horse”;* and

*(ii) by striking “or (iii)” and inserting “(iii), or (iv)”.*

*(2) INTERSTATE VIOLATION OF PROTECTION ORDER.—Section 2262 of title 18, United States Code, is amended—*

*(A) in subsection (a)—*

*(i) in paragraph (1), by inserting after “another person” the following: “or the pet, service animal, emotional support animal, or horse of that person”;* and

*(ii) in paragraph (2), by inserting after “proximity to, another person” the following “or the pet, service animal, emotional support animal, or horse of that person”;* and

*(B) in subsection (b)(5), by inserting after “in any other case,” the following: “including any case in which the offense is committed against a pet, service animal, emotional support animal, or horse.”.*

*(3) RESTITUTION TO INCLUDE VETERINARY SERVICES.—Section 2264 of title 18, United States Code, is amended in subsection (b)(3)—*

*(A) by redesignating subparagraph (F) as subparagraph (G);*

*(B) in subparagraph (E), by striking “and” at the end; and*

*(C) by inserting after subparagraph (E) the following: “(F) veterinary services relating to physical care for the victim’s pet, service animal, emotional support animal, or horse; and”.*

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(4) *DEFINITIONS.*—Section 2266 of title 18, United States Code, is amended by inserting after paragraph (10) the following:

“(11) *PET.*—The term ‘pet’ means a domesticated animal, such as a dog, cat, bird, rodent, fish, turtle, or other animal that is kept for pleasure rather than for commercial purposes.

“(12) *EMOTIONAL SUPPORT ANIMAL.*—The term ‘emotional support animal’ means an animal that is covered by the exclusion specified in section 5.303 of title 24, Code of Federal Regulations (or a successor regulation), and that is not a service animal.

“(13) *SERVICE ANIMAL.*—The term ‘service animal’ has the meaning given the term in section 36.104 of title 28, Code of Federal Regulations (or a successor regulation).”.

(b) *EMERGENCY AND TRANSITIONAL PET SHELTER AND HOUSING ASSISTANCE GRANT PROGRAM.*—

(1) *GRANT PROGRAM.*—

(A) *IN GENERAL.*—The Secretary, acting in consultation with the Office of the Violence Against Women of the Department of Justice, the Secretary of Housing and Urban Development, and the Secretary of Health and Human Services, shall award grants under this subsection to eligible entities to carry out programs to provide the assistance described in paragraph (3) with respect to victims of domestic violence, dating violence, sexual assault, or stalking and the pets, service animals, emotional support animals, or horses of such victims.

(B) *MEMORANDUM OF UNDERSTANDING.*—The Secretary may enter into a memorandum of understanding with the head of another Department or agency, as appropriate, to carry out any of the authorities provided to the Secretary under this section.

(2) *APPLICATION.*—

(A) *IN GENERAL.*—An eligible entity seeking a grant under this subsection shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require, including—

(i) a description of the activities for which a grant under this subsection is sought;

(ii) such assurances as the Secretary determines to be necessary to ensure compliance by the entity with the requirements of this subsection; and

(iii) a certification that the entity, before engaging with any individual domestic violence victim, will disclose to the victim any mandatory duty of the entity to report instances of abuse and neglect (including instances of abuse and neglect of pets, service animals, emotional support animals, or horses).

(B) *ADDITIONAL REQUIREMENTS.*—In addition to the requirements of subparagraph (A), each application submitted by an eligible entity under that subparagraph shall—



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*(i) not include proposals for any activities that may compromise the safety of a domestic violence victim, including—*

*(I) background checks of domestic violence victims; or*

*(II) clinical evaluations to determine the eligibility of such a victim for support services;*

*(ii) not include proposals that would require mandatory services for victims or that a victim obtain a protective order in order to receive proposed services; and*

*(iii) reflect the eligible entity's understanding of the dynamics of domestic violence, dating violence, sexual assault, or stalking.*

*(C) RULES OF CONSTRUCTION.—Nothing in this paragraph shall be construed to require—*

*(i) domestic violence victims to participate in the criminal justice system in order to receive services; or*

*(ii) eligible entities receiving a grant under this subsection to breach client confidentiality.*

*(3) USE OF FUNDS.—Grants awarded under this subsection may only be used for programs that provide—*

*(A) emergency and transitional shelter and housing assistance for domestic violence victims with pets, service animals, emotional support animals, or horses, including assistance with respect to any construction or operating expenses of newly developed or existing emergency and transitional pet, service animal, emotional support animal, or horse shelter and housing (regardless of whether such shelter and housing is co-located at a victim service provider or within the community);*

*(B) short-term shelter and housing assistance for domestic violence victims with pets, service animals, emotional support animals, or horses, including assistance with respect to expenses incurred for the temporary shelter, housing, boarding, or fostering of the pets, service animals, emotional support animals, or horses of domestic violence victims and other expenses that are incidental to securing the safety of such a pet, service animal, emotional support animal, or horse during the sheltering, housing, or relocation of such victims;*

*(C) support services designed to enable a domestic violence victim who is fleeing a situation of domestic violence, dating violence, sexual assault, or stalking to—*

*(i) locate and secure—*

*(I) safe housing with the victim's pet, service animal, emotional support animal, or horse; or*

*(II) safe accommodations for the victim's pet, service animal, emotional support animal, or horse; or*

*(ii) provide the victim with pet, service animal, emotional support animal, or horse related services, such as transportation, care services, and other assistance; or*

*(D) for the training of relevant stakeholders on—*



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(i) *the link between domestic violence, dating violence, sexual assault, or stalking and the abuse and neglect of pets, service animals, emotional support animals, and horses;*

(ii) *the needs of domestic violence victims;*

(iii) *best practices for providing support services to such victims;*

(iv) *best practices for providing such victims with referrals to victims' services; and*

(v) *the importance of confidentiality.*

(4) **GRANT CONDITIONS.**—*An eligible entity that receives a grant under this subsection shall, as a condition of such receipt, agree—*

(A) *to be bound by the nondisclosure of confidential information requirements of section 40002(b)(2) of the Violence Against Women Act of 1994 (34 U.S.C. 12291(b)(2)); and*

(B) *that the entity shall not condition the receipt of support, housing, or other benefits provided pursuant to this subsection on the participation of domestic violence victims in any or all of the support services offered to such victims through a program carried out by the entity using grant funds.*

(5) **DURATION OF ASSISTANCE PROVIDED TO VICTIMS.**—

(A) **IN GENERAL.**—*Subject to subparagraph (B), assistance provided with respect to a pet, service animal, emotional support animal, or horse of a domestic violence victim using grant funds awarded under this subsection shall be provided for a period of not more than 24 months.*

(B) **EXTENSION.**—*An eligible entity that receives a grant under this subsection may extend the 24-month period referred to in subparagraph (A) for a period of not more than 6 months in the case of a domestic violence victim who—*

(i) *has made a good faith effort to acquire permanent housing for the victim and the victim's pet, service animal, emotional support animal, or horse during that 24-month period; and*

(ii) *has been unable to acquire such permanent housing within that period.*

(6) **REPORT TO THE SECRETARY.**—*Not later than 1 year after the date on which an eligible entity receives a grant under this subsection and each year thereafter in which the grant funds are used, the entity shall submit to the Secretary a report that contains, with respect to assistance provided by the entity to domestic violence victims with pets, service animals, emotional support animals, or horses using grant funds received under this subsection, information on—*

(A) *the number of domestic violence victims with pets, service animals, emotional support animals, or horses provided such assistance; and*

(B) *the purpose, amount, type of, and duration of such assistance.*

(7) **REPORT TO CONGRESS.**—

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(A) *REPORTING REQUIREMENT.*—Not later than November 1 of each even-numbered fiscal year, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that contains a compilation of the information contained in the reports submitted under paragraph (6).

(B) *AVAILABILITY OF REPORT.*—The Secretary shall transmit a copy of the report submitted under subparagraph (A) to—

(i) the Office on Violence Against Women of the Department of Justice;

(ii) the Office of Community Planning and Development of the Department of Housing and Urban Development; and

(iii) the Administration for Children and Families of the Department of Health and Human Services.

(8) *AUTHORIZATION OF APPROPRIATIONS.*—

(A) *IN GENERAL.*—There is authorized to be appropriated to carry out this subsection \$3,000,000 for each of fiscal years 2019 through 2023.

(B) *LIMITATION.*—Of the amount made available under subparagraph (A) in any fiscal year, not more than 5 percent may be used for evaluation, monitoring, salaries, and administrative expenses.

(9) *DEFINITIONS.*—In this subsection:

(A) *DOMESTIC VIOLENCE VICTIM DEFINED.*—The term “domestic violence victim” means a victim of domestic violence, dating violence, sexual assault, or stalking.

(B) *ELIGIBLE ENTITY.*—The term “eligible entity” means—

(i) a State;

(ii) a unit of local government;

(iii) an Indian tribe; or

(iv) any other organization that has a documented history of effective work concerning domestic violence, dating violence, sexual assault, or stalking (as determined by the Secretary), including—

(I) a domestic violence and sexual assault victim service provider;

(II) a domestic violence and sexual assault coalition;

(III) a community-based and culturally specific organization;

(IV) any other nonprofit, nongovernmental organization; and

(V) any organization that works directly with pets, service animals, emotional support animals, or horses and collaborates with any organization referred to in clauses (i) through (iv), including—

(aa) an animal shelter; and

(bb) an animal welfare organization.

(C) *EMOTIONAL SUPPORT ANIMAL.*—The term “emotional support animal” means an animal that is covered by the exclusion specified in section 5.303 of title 24, Code of

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*Federal Regulations (or a successor regulation), and that is not a service animal.*

*(D) PET.—The term “pet” means a domesticated animal, such as a dog, cat, bird, rodent, fish, turtle, or other animal that is kept for pleasure rather than for commercial purposes.*

*(E) SERVICE ANIMAL.—The term “service animal” has the meaning given the term in section 36.104 of title 28, Code of Federal Regulations (or a successor regulation).*

*(F) OTHER TERMS.—Except as otherwise provided in this subsection, terms used in this section shall have the meaning given such terms in section 40002(a) of the Violence Against Women Act of 1994 (34 U.S.C. 12291(a)).*

*(c) SENSE OF CONGRESS.—It is the sense of Congress that States should encourage the inclusion of protections against violent or threatening acts against the pet, service animal, emotional support animal, or horse of a person in domestic violence protection orders.*

**SEC. 12503. MARKETING ORDERS.**

*Section 8e(a) of the Agricultural Adjustment Act (7 U.S.C. 608e–1(a)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by inserting “cherries, pecans,” after “walnuts.”*

**SEC. 12504. ESTABLISHMENT OF FOOD LOSS AND WASTE REDUCTION LIAISON.**

*Subtitle A of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6901 et seq.), as amended by sections 12202, 12302, and 12403, is further amended by adding at the end the following:*

**“SEC. 224. FOOD LOSS AND WASTE REDUCTION LIAISON.**

*“(a) ESTABLISHMENT.—The Secretary shall establish a Food Loss and Waste Reduction Liaison to coordinate Federal, State, local, and nongovernmental programs, and other efforts, to measure and reduce the incidence of food loss and waste in accordance with this section.*

*“(b) IN GENERAL.—The Food Loss and Waste Reduction Liaison shall—*

*“(1) coordinate food loss and waste reduction efforts within the Department of Agriculture and with other Federal agencies, including the Environmental Protection Agency and the Food and Drug Administration;*

*“(2) support and promote Federal programs to measure and reduce the incidence of food loss and waste and increase food recovery;*

*“(3) provide information to, and serve as a resource for, entities engaged in food loss and waste reduction and food recovery, including information about the availability of, and eligibility requirements for, participation in Federal, State, local, and nongovernmental programs;*

*“(4) raise awareness of the liability protections afforded under the Bill Emerson Good Samaritan Food Donation Act (42 U.S.C. 1791) to persons engaged in food loss and waste reduction and food recovery; and*

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“(5) make recommendations with respect to expanding innovative food recovery models and reducing the incidence of food loss and waste.

“(c) **COOPERATIVE AGREEMENTS.**—For purposes of carrying out the duties under subsection (b), the Food Loss and Waste Reduction Liaison may enter into contracts or cooperative agreements with the research centers of the Research, Education, and Economics mission area, institutions of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)), or nonprofit organizations for—

“(1) the development of educational materials;  
“(2) the conduct of workshops and courses; or  
“(3) the conduct of research on best practices with respect to food loss and waste reduction and food recovery.

“(d) **STUDY ON FOOD WASTE.**—The Secretary shall conduct a study, in consultation with the Food Loss and Waste Reduction Liaison, to evaluate and determine—

“(1) methods of measuring food waste;  
“(2) standards for the volume of food waste;  
“(3) factors that contribute to food waste;  
“(4) the cost and volume of food loss;  
“(5) the effectiveness of existing liability protections afforded under the Bill Emerson Good Samaritan Food Donation Act (42 U.S.C. 1791); and

“(6) measures to ensure that programs contemplated, undertaken, or funded by the Department of Agriculture do not disrupt existing food waste recovery and disposal efforts by commercial, marketing, or business relationships.

“(e) **REPORTS.**—

“(1) **INITIAL REPORT.**—Not later than 1 year after the date of enactment of this section, the Food Loss and Waste Liaison shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the study conducted under subsection (d).

“(2) **REPORT.**—Not later than 1 year after the date of the submission of the report under paragraph (1), the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that contains, with respect to the preceding year—

“(A) an estimate of the quantity of food waste during such year; and

“(B) the results of the food waste reduction and loss prevention activities carried out or led by the Department of Agriculture.”.

**SEC. 12505. REPORT ON BUSINESS CENTERS.**

(a) **IN GENERAL.**—Not later than 365 days after the date of enactment of this Act, the Comptroller General of the United States shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report evaluating each business center established in the Department of Agriculture.

(b) **INCLUSIONS.**—The report under subsection (a) shall include—

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(1) an examination of the effectiveness of each business center in carrying out its mission, including any recommendations to improve the operation of and function of any of those business centers; and

(2) an evaluation of—

(A) the impact the business centers have on customer service of the Department of Agriculture;

(B) the impact on the annual budget for agencies the budget offices of which have been relocated to the business center, and the effectiveness of funds used to support the business centers, including an accounting of all discretionary and mandatory funding provided to the business center for conservation and farm services from—

(i) the Natural Resources Conservation Service;

(ii) the Farm Service Agency; and

(iii) the Risk Management Agency;

(C) funding described in subparagraph (B) spent on information technology modernizations;

(D) the impact that the business centers have had on the human resources of the Department of Agriculture, including hiring;

(E) any concerns or problems with the business centers; and

(F) any positive or negative impact that the business centers have had on the functionality of the Department of Agriculture.

**SEC. 12506. REPORT ON PERSONNEL.**

For the period of fiscal years 2019 through 2023, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a biannual report describing the number of staff years and employees of each agency of the Department of Agriculture.

**SEC. 12507. REPORT ON ABSENT LANDLORDS.**

(a) *IN GENERAL.*—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a report describing the effects of absent landlords on the long-term economic health of agricultural production, including the effect of absent landlords on—

(1) land valuation;

(2) soil health; and

(3) the economic stability of rural communities.

(b) *CONTENTS.*—The report under subsection (a) shall include—

(1) a description of the positive and negative effects of an absent landlord on the land owned by the landlord, including—

(A) the effect of an absent landlord on the long-term value of the land; and

(B) the environmental and economic impact of an absent landlord on the surrounding community; and

(2) recommendations to policymakers concerning how to mitigate those effects when necessary.

**SEC. 12508. CENTURY FARMS PROGRAM.**

The Secretary shall establish a program under which the Secretary recognizes any farm that—



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(1) a State department of agriculture or similar statewide agricultural organization recognizes as a Century Farm; or

(2)(A) is defined as a farm or ranch under section 4284.902 of title 7, Code of Federal Regulations (as in effect on the date of enactment of this Act);

(B) has been in continuous operation for at least 100 years; and

(C) has been owned by the same family for at least 100 consecutive years, as verified through deeds, wills, abstracts, tax statements, or other similar legal documents considered appropriate by the Secretary.

**SEC. 12509. REPORT ON IMPORTATION OF LIVE DOGS.**

(a) *IN GENERAL.*—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the importation of live dogs into the United States.

(b) *CONTENTS.*—The report submitted under subsection (a) shall include, with respect to the importation of live dogs into the United States for each of the 3 most recent calendar years for which data are available—

(1) the total number of live dogs imported;

(2) the number of live dogs imported as personal pets;

(3) the number of live dogs imported for resale (as defined in section 18(a) of the Animal Welfare Act (7 U.S.C. 2148(a));

(4) the number of live dogs for which importation was requested but denied due to the proposed importation failing to meet the requirements under—

(A) section 18 of the Animal Welfare Act (7 U.S.C. 2148);

(B) section 71.51 of title 42, Code of Federal Regulations (or any successor regulations); or

(C) any other Federal law; and

(5) any recommendations of the Secretary for modifications to Federal law (including regulations) relating to the importation of live dogs, including for the protection of public health.

(c) *PROVISION OF INFORMATION.*—To facilitate the preparation of the report submitted under subsection (a), not later than 180 days after the date of enactment of this Act, the Secretary of Commerce, the Secretary of Health and Human Services, and the Secretary of Homeland Security shall each provide to the Secretary of Agriculture all available data and information relating to the importation of live dogs into the United States, including—

(1) the data described in paragraphs (1) through (4) of subsection (b) for each of the 3 most recent calendar years for which data is available; and

(2) any recommendations for modifications to Federal law (including regulations) relating to the importation of live dogs, including for the protection of public health.

**SEC. 12510. TRIBAL PROMISE ZONES.**

(a) *IN GENERAL.*—In this section, the term “Tribal Promise Zone” means an area that—

(1) is nominated by 1 or more Indian tribes (as defined in section 4(13) of the Native American Housing Assistance and



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*Self-Determination Act of 1996 (25 U.S.C. 4103(13)) for designation as a Tribal Promise Zone (in this section referred to as a “nominated zone”);*

*(2) has a continuous boundary; and*

*(3) the Secretary designates as a Tribal Promise Zone, after consultation with the Secretary of Commerce, the Secretary of Education, the Attorney General, the Secretary of the Interior, the Secretary of Housing and Urban Development, the Secretary of Health and Human Services, the Secretary of Labor, the Secretary of the Treasury, the Secretary of Transportation, and other agencies as appropriate.*

*(b) AUTHORIZATION AND NUMBER OF DESIGNATIONS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall nominate a minimum number of nominated zones, as determined by the Secretary in consultation with Indian tribes, to be designated as Tribal Promise Zones.*

*(c) PERIOD OF DESIGNATIONS.—*

*(1) IN GENERAL.—The Secretary shall designate nominated zones as Tribal Promise Zones before January 1, 2020.*

*(2) EFFECTIVE DATES OF DESIGNATIONS.—The designation of any Tribal Promise Zone shall take effect—*

*(A) for purposes of priority consideration in Federal grant programs and initiatives (other than this section), upon execution of the Tribal Promise Zone agreement with the Secretary; and*

*(B) for purposes of this section, on January 1 of the first calendar year beginning after the date of the execution of the Tribal Promise Zone agreement.*

*(3) TERMINATION OF DESIGNATIONS.—The designation of any Tribal Promise Zone shall end on the earlier of—*

*(A)(i) with respect to a Tribal Promise Zone not described in paragraph (4), the end of the 10-year period beginning on the date that such designation takes effect; or*

*(ii) with respect to a Tribal Promise Zone described in paragraph (4), the end of the 10-year period beginning on the date the area was designated as a Tribal Promise Zone before the date of the enactment of this Act; or*

*(B) the date of the revocation of such designation.*

*(4) APPLICATION TO CERTAIN ZONES ALREADY DESIGNATED.—In the case of any area designated as a Tribal Promise Zone by the Secretary before the date of the enactment of this Act, such area shall be deemed a Tribal Promise Zone designated under this section (notwithstanding whether any such designation has been revoked before the date of the enactment of this Act) and shall reduce the number of Tribal Promise Zones remaining to be designated under paragraph (1).*

*(d) LIMITATIONS ON DESIGNATIONS.—No area may be designated under this section unless—*

*(1) the entities nominating the area have the authority to nominate the area of designation under this section;*

*(2) such entities provide written assurances satisfactory to the Secretary that the competitiveness plan described in the application under subsection (e) for such area will be implemented and that such entities will provide the Secretary with such data regarding the economic conditions of the area (before, during,*

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*and after the area's period of designation as a Tribal Promise Zone) as the Secretary may require; and*

*(3) the Secretary determines that any information furnished is reasonably accurate.*

*(e) APPLICATION.—No area may be designated under this section unless the application for such designation—*

*(1) demonstrates that the nominated zone satisfies the eligibility criteria described in subsection (a); and*

*(2) includes a competitiveness plan that—*

*(A) addresses the need of the nominated zone to attract investment and jobs and improve educational opportunities;*

*(B) leverages the nominated zone's economic strengths and outlines targeted investments to develop competitive advantages;*

*(C) demonstrates collaboration across a wide range of stakeholders;*

*(D) outlines a strategy that connects the nominated zone to drivers of regional economic growth; and*

*(E) proposes a strategy for focusing on increased access to high quality affordable housing and improved public safety.*

*(f) SELECTION CRITERIA.—*

*(1) IN GENERAL.—From among the nominated zones eligible for designation under this section, the Secretary shall designate Tribal Promise Zones on the basis of—*

*(A) the effectiveness of the competitiveness plan submitted under subsection (e) and the assurances made under subsection (d);*

*(B) unemployment rates, poverty rates, vacancy rates, crime rates, and such other factors as the Secretary may identify, including household income, labor force participation, and educational attainment; and*

*(C) other criteria as determined by the Secretary.*

*(2) MINIMAL STANDARDS.—The Secretary may set minimal standards for the levels of unemployment and poverty that must be satisfied for designation as a Tribal Promise Zone.*

**SEC. 12511. PRECISION AGRICULTURE CONNECTIVITY.**

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

*(1) Precision agriculture technologies and practices allow farmers to significantly increase crop yields, eliminate overlap in operations, and reduce inputs such as seed, fertilizer, pesticides, water, and fuel.*

*(2) These technologies allow farmers to collect data in real time about their fields, automate field management, and maximize resources.*

*(3) Studies estimate that precision agriculture technologies can reduce agricultural operation costs by up to 25 dollars per acre and increase farm yields by up to 70 percent by 2050.*

*(4) The critical cost savings and productivity benefits of precision agriculture cannot be realized without the availability of reliable broadband Internet access service delivered to the agricultural land of the United States.*

*(5) The deployment of broadband Internet access service to unserved agricultural land is critical to the United States econ-*

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omy and to the continued leadership of the United States in global food production.

(6) *Despite the growing demand for broadband Internet access service on agricultural land, broadband Internet access service is not consistently available where needed for agricultural operations.*

(7) *The Federal Communications Commission has an important role to play in the deployment of broadband Internet access service on unserved agricultural land to promote precision agriculture.*

(b) **TASK FORCE.**—

(1) **DEFINITIONS.**—*In this subsection:*

(A)(i) *The term “broadband Internet access service” means a mass-market retail service by wire or radio that provides the capability to transmit data to, and receive data from, all or substantially all Internet endpoints, including any capabilities that are incidental to, and enable the operation of, the communications service, but excluding dial up internet access service.*

(ii) *Such term includes any service the Commission finds to be providing a functional equivalent of the service described in clause (i).*

(B) *The term “Commission” means the Federal Communications Commission.*

(C) *The term “Department” means the Department of Agriculture.*

(D) *The term “Secretary” means the Secretary of Agriculture.*

(E) *The term “Task Force” means the Task Force for Reviewing the Connectivity and Technology Needs of Precision Agriculture in the United States established under paragraph (2).*

(2) **ESTABLISHMENT.**—*Not later than 1 year after the date of enactment of this Act, the Commission shall establish the Task Force for Reviewing the Connectivity and Technology Needs of Precision Agriculture in the United States.*

(3) **DUTIES.**—

(A) **IN GENERAL.**—*The Task Force shall consult with the Secretary, or a designee of the Secretary, and collaborate with public and private stakeholders in the agriculture and technology fields to—*

(i) *identify and measure current gaps in the availability of broadband Internet access service on agricultural land;*

(ii) *develop policy recommendations to promote the rapid, expanded deployment of broadband Internet access service on unserved agricultural land, with a goal of achieving reliable capabilities on 95 percent of agricultural land in the United States by 2025;*

(iii) *promote effective policy and regulatory solutions that encourage the adoption of broadband Internet access service on farms and ranches and promote precision agriculture;*

(iv) *recommend specific new rules or amendments to existing rules of the Commission that the Commis-*

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sion should issue to achieve the goals and purposes of the policy recommendations described in clause (ii);

(v) recommend specific steps that the Commission should take to obtain reliable and standardized data measurements of the availability of broadband Internet access service as may be necessary to target funding support, from future programs of the Commission dedicated to the deployment of broadband Internet access service, to unserved agricultural land in need of broadband Internet access service; and

(vi) recommend specific steps that the Commission should consider to ensure that the expertise of the Secretary and available farm data are reflected in future programs of the Commission dedicated to the infrastructure deployment of broadband Internet access service and to direct available funding to unserved agricultural land where needed.

(B) *NO DUPLICATE DATA REPORTING.*—In performing the duties of the Commission under subparagraph (A), the Commission shall ensure that no provider of broadband Internet access service is required to report data to the Commission that is, on the day before the date of enactment of this Act, required to be reported by the provider of broadband Internet access service.

(C) *HOLD HARMLESS.*—The Task Force and the Commission shall not interpret the phrase “future programs of the Commission”, as used in clauses (v) and (vi) of subparagraph (A), to include the universal service programs of the Commission established under section 254 of the Communications Act of 1934 (47 U.S.C. 254).

(D) *CONSULTATION.*—The Secretary, or a designee of the Secretary, shall explain and make available to the Task Force the expertise, data mapping information, and resources of the Department that the Department uses to identify cropland, rangeland, and other areas with agricultural operations that may be helpful in developing the recommendations required under subparagraph (A).

(E) *LIST OF AVAILABLE FEDERAL PROGRAMS AND RESOURCES.*—Not later than 180 days after the date of enactment of this Act, the Secretary and the Commission shall jointly submit to the Task Force a list of all Federal programs or resources available for the expansion of broadband Internet access service on unserved agricultural land to assist the Task Force in carrying out the duties of the Task Force.

(4) *MEMBERSHIP.*—

(A) *IN GENERAL.*—The Task Force shall be—

(i) composed of not more than 15 voting members who shall—

(I) be selected by the Chairman of the Commission, in consultation with the Secretary; and

(II) include—

(aa) agricultural producers representing diverse geographic regions and farm sizes, in-

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*cluding owners and operators of farms of less than 100 acres;*

*(bb) an agricultural producer representing tribal agriculture;*

*(cc) Internet service providers, including regional or rural fixed and mobile broadband Internet access service providers and telecommunications infrastructure providers;*

*(dd) representatives from the electric cooperative industry;*

*(ee) representatives from the satellite industry;*

*(ff) representatives from precision agriculture equipment manufacturers, including drone manufacturers, manufacturers of autonomous agricultural machinery, and manufacturers of farming robotics technologies;*

*(gg) representatives from State and local governments; and*

*(hh) representatives with relevant expertise in broadband network data collection, geospatial analysis, and coverage mapping; and*

*(ii) fairly balanced in terms of technologies, points of view, and fields represented on the Task Force.*

*(B) PERIOD OF APPOINTMENT; VACANCIES.—*

*(i) IN GENERAL.—A member of the Committee appointed under subparagraph (A)(i) shall serve for a single term of 2 years.*

*(ii) VACANCIES.—Any vacancy in the Task Force—*  
*(I) shall not affect the powers of the Task Force; and*

*(II) shall be filled in the same manner as the original appointment.*

*(C) EX-OFFICIO MEMBER.—The Secretary, or a designee of the Secretary, shall serve as an ex-officio, nonvoting member of the Task Force.*

*(5) REPORTS.—Not later than 1 year after the date on which the Commission establishes the Task Force, and annually thereafter, the Task Force shall submit to the Chairman of the Commission a report, which shall be made public not later than 30 days after the date on which the Chairman receives the report, that details—*

*(A) the status of fixed and mobile broadband Internet access service coverage of agricultural land;*

*(B) the projected future connectivity needs of agricultural operations, farmers, and ranchers; and*

*(C) the steps being taken to accurately measure the availability of broadband Internet access service on agricultural land and the limitations of current, as of the date of the report, measurement processes.*

*(6) TERMINATION.—The Commission shall renew the Task Force every 2 years until the Task Force terminates on January 1, 2025.*



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(c) *NO ADDITIONAL FUNDS AUTHORIZED.*—No additional funds is authorized to be appropriated to carry out this section. This section shall be carried out using amounts otherwise authorized.

**SEC. 12512. IMPROVEMENTS TO UNITED STATES DROUGHT MONITOR.**

(a) *IN GENERAL.*—The Secretary shall coordinate with the Director of the National Drought Mitigation Center and the Administrator of the National Oceanic and Atmospheric Administration to enhance the collection of data to improve the accuracy of the United States Drought Monitor.

(b) *UTILIZATION.*—To the maximum extent practicable, the Secretary shall utilize a consistent source or sources of data for programs that are based on drought or precipitation indices, such as the livestock forage disaster program established under section 1501(c) of the Agricultural Act of 2014 (7 U.S.C. 9081(c)) or policies or plans of insurance established under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

(c) *REVIEW.*—Not later than 1 year after the date of enactment of this Act, the Secretary shall conduct a review of—

(1) the types of data currently utilized by the United States Drought Monitor;

(2) the geographic coverage and density of existing data collection sites; and

(3) other meteorological or climatological data that is being collected by other Federal agencies, State and local governments, and non-Federal entities that could be utilized by the United States Drought Monitor.

(d) *IMPROVEMENTS.*—

(1) *IN GENERAL.*—Upon the completion of the review prescribed in subsection (c), the Secretary shall—

(A) seek to expand the collection of relevant data in States or geographic areas where coverage is currently lacking as compared to other States or geographic areas; and

(B) to the maximum extent practicable, develop standards to allow the integration of meteorological or climatological data into the United States Drought Monitor derived from—

(i) in-situ soil moisture profile measuring devices;

(ii) citizen science (as defined in the Crowdsourcing and Citizen Science Act (15 U.S.C. 3724)), including data from the Cooperative Observer Program of the National Weather Service; and

(iii) other Federal agencies, State and local governments, and non-Federal entities.

(2) *AUTHORIZATION OF APPROPRIATIONS.*—There is to be authorized to be appropriated to the Secretary to carry out this subsection \$5,000,000 for each of fiscal years 2019 through 2023.

**SEC. 12513. DAIRY BUSINESS INNOVATION INITIATIVES.**

(a) *DEFINITIONS.*—In this section:

(1) *DAIRY BUSINESS.*—The term “dairy business” means a business that develops, produces, markets, or distributes dairy products.



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(2) *INITIATIVE.*—The term “initiative” means a dairy product and business innovation initiative established under subsection (b).

(b) *ESTABLISHMENT.*—The Secretary shall establish not less than 3 regionally-located dairy product and business innovation initiatives for the purposes of—

(1) *diversifying dairy product markets to reduce risk and develop higher-value uses for dairy products;*

(2) *promoting business development that diversifies farmer income through processing and marketing innovation; and*

(3) *encouraging the use of regional milk production.*

(c) *SELECTION OF INITIATIVES.*—An initiative—

(1) *shall be positioned to draw on existing dairy industry resources, including activities conducted by the National Dairy Promotion and Research Board and other dairy promotion entities, research capacity, academic and industry expertise, a density of dairy farms or farmland suitable for dairying, and dairy businesses; and*

(2) *may serve a certain product niche, such as specialty cheese, or serve dairy businesses with dairy products derived from the milk of a specific type of dairy animal, including dairy products made from cow milk, sheep milk, and goat milk.*

(d) *ENTITIES ELIGIBLE TO HOST INITIATIVE.*—

(1) *IN GENERAL.*—Subject to paragraph (2), any of the following entities may submit to the Secretary an application to host an initiative:

(A) *A State department of agriculture or other State entity.*

(B) *A nonprofit organization.*

(C) *An institution of higher education.*

(D) *A cooperative extension service.*

(2) *CAPACITY OF ELIGIBLE ENTITY.*—Any entity described in subparagraphs (A) through (D) of paragraph (1) shall be eligible to submit an application under that paragraph if the entity has—

(A) *a capacity to provide consultation and expertise necessary to advance the purpose and activities of the proposed initiative; and*

(B) *expertise in grant distribution and tracking.*

(3) *INELIGIBLE ENTITY.*—A dairy promotion program shall not be eligible to host an initiative under this section.

(e) *PARTNERS.*—

(1) *IN GENERAL.*—An entity described in subsection (d)(1) may establish as a partner an organization or entity described in paragraph (2)—

(A) *prior to the submission of the application under that subsection; or*

(B) *after approval of the application, in consultation with the Secretary.*

(2) *PARTNER DESCRIBED.*—A partner under paragraph (1) shall be an organization or entity with expertise or experience in dairy, including the marketing, research, education, or promotion of dairy.

(f) *ACTIVITIES OF INITIATIVES.*—

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(1) *DIRECT ASSISTANCE TO DAIRY BUSINESSES.*—An initiative shall provide nonmonetary assistance directly to dairy businesses through private consultation or widely available distribution—

(A) by the entity that hosts the initiative under subsection (d)(1);

(B) through contracting with industry experts;

(C) through the provision of technical assistance, such as informational websites, webinars, conferences, trainings, plant tours, and field days; or

(D) through research institutions, including cooperative extension services.

(2) *TYPES OF ASSISTANCE.*—Eligible forms of assistance include—

(A) business consulting, including business plan development for processed dairy products, strategic planning assistance, and distribution and supply chain innovation;

(B) marketing and branding assistance, including market messaging, packaging innovation, consumer assessments, innovation in emerging market opportunities, and evaluation of regional, national, and international markets;

(C) assistance in product innovation, including the development of value-added products, innovation in byproduct reprocessing and use maximization, and dairy product production training, including in new, rare, or innovative techniques; and

(D) other nonmonetary assistance, as determined by the Secretary.

(3) *GRANTS TO DAIRY BUSINESSES.*—

(A) *IN GENERAL.*—An initiative shall provide grants on a competitive basis to new and existing dairy businesses for the purposes of—

(i) modernization, specialization, and grazing transition on dairy farms;

(ii) value chain and commodity innovation and facility and process updates for dairy processors; and

(iii) product development, packaging, and marketing of dairy products.

(B) *GRANTS TO CERTAIN ENTITIES.*—An initiative may provide a grant on a noncompetitive basis to an entity that receives assistance under paragraph (1) to advance the business activities recommended as a result of that assistance.

(C) *GRANT AMOUNTS.*—Grants provided under this paragraph shall not exceed \$500,000, unless a greater amount is approved by the Secretary.

(4) *CONSULTATION.*—An entity that hosts an initiative shall consult with the National Dairy Promotion and Research Board, the Secretary, and the Administrator of the Agricultural Marketing Service in carrying out the initiative.

(5) *CONFLICT OF INTEREST.*—

(A) *IN GENERAL.*—The Secretary shall establish guidelines and procedures to prevent any conflict of interest or the appearance of a conflict of interest by an initiative (including a partner of the initiative) during the allocation of

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*direct assistance under paragraph (1) or grant funding under paragraph (3).*

(B) *PENALTY.—The Secretary may suspend or terminate an initiative if the initiative (including a partner of the initiative) is found to be in violation of the guidelines and procedures established under subparagraph (A).*

(g) *DISTRIBUTION OF FUNDS.—*

(1) *IN GENERAL.—Using the funds made available to carry out this section, the Secretary—*

(A) *shall provide not less than 3 awards to eligible entities described in subsection (d) for the purposes of carrying out the activities under subsection (f); and*

(B) *is encouraged to award funds under subparagraph (A) in multiyear funding allocations.*

(2) *USE OF FUNDS.—Not less than 50 percent of the funds made available under subsection (i) shall be allocated to grants under subsection (f)(3).*

(3) *PRIORITY.—An entity hosting an initiative shall give priority to the provision of direct assistance under subsection (f)(1) and grants under subsection (f)(3) to—*

(A) *dairy farms and dairy businesses with limited access to other forms of assistance;*

(B) *employee-owned dairy businesses;*

(C) *cooperatives; and*

(D) *dairy businesses that seek to create dairy products that add substantial value in processing or marketing, such as specialty cheeses.*

(4) *REQUIREMENT.—Assistance or a grant shall not be made available to a foreign person making direct investment (as those terms are defined in section 801.2 of title 15, Code of Federal Regulations (or successor regulations)) in the United States in the case of—*

(A) *direct assistance under subsection (f)(1) that is provided to a specific dairy business and is not publicly available, as determined by the Secretary; or*

(B) *a grant under subsection (f)(3).*

(5) *SUPPLEMENTATION.—To the extent practicable, the Secretary shall ensure that funds provided to an initiative supplement, and do not duplicate or replace, existing dairy product research, development, and promotion activities.*

(h) *REPORT.—Not later than January 31, 2022, the Secretary shall submit to Congress a report on the outcomes of the program under this section and any related activities and opportunities to further increase dairy innovation.*

(i) *AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$20,000,000 for each fiscal year.*

**SEC. 12514. REPORT ON FUNDING FOR THE NATIONAL INSTITUTE OF FOOD AND AGRICULTURE AND OTHER EXTENSION PROGRAMS.**

(a) *IN GENERAL.—Not later than 2 years after the date on which the census of agriculture required to be conducted in calendar year 2017 under section 2 of the Census of Agriculture Act of 1997 (7 U.S.C. 2204g) is released, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Com-*

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mittee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the funding necessary to adequately address the needs of the National Institute of Food and Agriculture, activities carried out under the Smith-Lever Act (7 U.S.C. 341 et seq.), and research and extension programs carried out at an 1890 Institution (as defined in section 2 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7601)) or an institution designated under the Act of July 2, 1862 (commonly known as the “First Morrill Act”) (12 Stat. 503, chapter 130; 7 U.S.C. 301 et seq.), to provide adequate services for the growth and development of the economies of rural communities based on the changing demographic in the rural and farming communities in the various States.

(b) **REQUIREMENTS.**—In preparing the report under subsection (a), the Secretary shall focus on the funding needs of the programs described in subsection (a) with respect to carrying out activities relating to small and diverse farms and ranches, veteran farmers and ranchers, value-added agriculture, direct-to-consumer sales, and specialty crops.

**SEC. 12515. PROHIBITION ON SLAUGHTER OF DOGS AND CATS FOR HUMAN CONSUMPTION.**

(a) **IN GENERAL.**—Except as provided in subsection (c), no person may—

(1) knowingly slaughter a dog or cat for human consumption; or

(2) knowingly ship, transport, move, deliver, receive, possess, purchase, sell, or donate—

(A) a dog or cat to be slaughtered for human consumption; or

(B) a dog or cat part for human consumption.

(b) **SCOPE.**—Subsection (a) shall apply only with respect to conduct—

(1) in or affecting interstate commerce or foreign commerce;

or

(2) within the special maritime and territorial jurisdiction of the United States.

(c) **EXCEPTION FOR INDIAN TRIBES.**—The prohibition in subsection (a) shall not apply to an Indian (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304)) carrying out any activity described in subsection (a) for the purpose of a religious ceremony.

(d) **PENALTY.**—Any person who violates subsection (a) shall be subject to a fine in an amount not greater than \$5,000 for each violation.

(e) **EFFECT ON STATE LAW.**—Nothing in this section—

(1) limits any State or local law or regulation protecting the welfare of animals; or

(2) prevents a State or unit of local government from adopting and enforcing an animal welfare law or regulation that is more stringent than this section.

**SEC. 12516. LABELING EXEMPTION FOR SINGLE INGREDIENT FOODS AND PRODUCTS.**

The food labeling requirements under section 403(q) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 343(q)) shall not require that the nutrition facts label of any single-ingredient sugar, honey, agave, or syrup, including maple syrup, that is packaged

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and offered for sale as a single-ingredient food bear the declaration “Includes X g Added Sugars.”.

**SEC. 12517. SOUTH CAROLINA INCLUSION IN VIRGINIA/CAROLINA PEANUT PRODUCING REGION.**

Section 1308(c)(2)(B)(iii) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7958(c)(2)(B)(iii)) is amended by striking “Virginia and North Carolina” and inserting “Virginia, North Carolina, and South Carolina”.

**SEC. 12518. FOREST SERVICE HIRE AUTHORITY.**

(a) *IN GENERAL.*—The Secretary of Agriculture may appoint, without regard to the provisions of subchapter I of chapter 33 of title 5, United States Code, other than sections 3303 and 3328 of such title, a qualified candidate described in subsection (b) directly to a position with the Department of Agriculture, Forest Service for which the candidate meets Office of Personnel Management qualification standards.

(b) *QUALIFICATIONS.*—Subsection (a) applies to a former resource assistant (as defined in section 203 of the Public Land Corps Act (16 U.S.C. 1722)) who—

(1) completed a rigorous internship with a land managing agency, such as the Forest Service Resource Assistant Program;

(2) successfully fulfilled the requirements of the internship program; and

(3) earned an undergraduate or graduate degree from an accredited institution of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)).

(c) *LIMITATION.*—The direct hire authority under this section may not be exercised with respect to a specific qualified candidate after the end of the 2-year period beginning on the date on which the candidate completed the undergraduate or graduate degree, as the case may be, or has successfully fulfilled the requirements of the internship program, whichever is later.

**SEC. 12519. CONVERSION AUTHORITY.**

The Secretary may, notwithstanding subchapter I of chapter 33 of title 5, United States Code, governing appointments in the competitive or excepted service, noncompetitively convert to an appointment in the competitive service, in an agency or office within the Department of Agriculture, a recent graduate or student who is a United States citizen and has been awarded and successfully completed a scholarship program granted to the individual by the Department through the 1890 National Scholars Program or the 1994 Tribal Scholars Program carried out by the Department, provided the individual meets the requirements for such conversion and meets Office of Personnel Management qualification standards, as determined by the Secretary. Nothing in the preceding sentence shall be construed as requiring the Secretary to convert an individual under the authority under such sentence.

**SEC. 12520. AUTHORIZATION OF PROTECTION OPERATIONS FOR THE SECRETARY OF AGRICULTURE AND OTHERS.**

(a) *IN GENERAL.*—The Department of Agriculture is authorized to employ qualified law enforcement officers or special agents to provide—

(1) protection for the Secretary and the Deputy Secretary during the performance of official duties by each such officer



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*and during any activity that is preliminary or postliminary to the performance of official duties by each such officer;*

*(2) protection, incidental to the protection provided pursuant to paragraph (1), to an individual accompanying each such officer who is participating in an activity or event relating to the official duties of each such officer when there is an articulable threat to such individual;*

*(3) continuous protection to the Secretary and Deputy Secretary (including during periods not described in paragraph (1)) if there is an articulable threat of physical harm, in accordance with guidelines established by the Secretary; and*

*(4) protection of another senior officer representing the Secretary (including a person nominated to be the Secretary during the pendency of such nomination) if there is an articulable threat of physical harm, in accordance with guidelines established by the Secretary.*

*(b) AUTHORITIES OF THE PROTECTIVE OPERATION.—*

*(1) IN GENERAL.—The Secretary may authorize officers or special agents employed pursuant to subsection (a)—*

*(A) to carry firearms;*

*(B) to conduct criminal investigations into potential threats to the security of persons protected under this section;*

*(C) to make arrests without a warrant for any offense against the United States committed in the presence of such officer or special agent;*

*(D) to perform protective intelligence work, including identifying and mitigating potential threats and conducting advance work to review security matters relating to sites and events; and*

*(E) to coordinate with local law enforcement agencies.*

*(2) GUIDELINES.—The authority conveyed under this section shall be exercised in accordance with any—*

*(A) guidelines issued by the Attorney General; and*

*(B) such additional guidelines as may be issued by the Secretary.*

*(c) EXCEPTION.—The authorities granted under this section may be exercised notwithstanding section 1343(b)(1) of title 31, United States Code.*

*(d) REPORT.—Not later than September 30, 2019, and each September 30 through 2024, the Secretary shall provide to the Committee on Agriculture of the House of Representatives and Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the protection provided, and accounting for the expenditures made, pursuant to this section.*

## **PART II—NATIONAL OILHEAT RESEARCH ALLIANCE**

### **SEC. 12531. NATIONAL OILHEAT RESEARCH ALLIANCE.**

*(a) IN GENERAL.—Section 713 of the National Oilheat Research Alliance Act of 2000 (42 U.S.C. 6201 note; Public Law 106–469) is amended by striking “18 years” and inserting “28 years”.*

*(b) LIMITATION ON OBLIGATIONS OF FUNDS.—The National Oilheat Research Alliance Act of 2000 (42 U.S.C. 6201 note; Public*



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Law 106-469) is amended by inserting after section 707 the following:

**“SEC. 708. LIMITATION ON OBLIGATION OF FUNDS.**

*“(a) IN GENERAL.—In each calendar year of the covered period, the Alliance may not obligate an amount greater than the sum of—*

*“(1) 75 percent of the amount of assessments estimated to be collected under section 707 in that calendar year;*

*“(2) 75 percent of the amount of assessments actually collected under section 707 in the most recent calendar year for which an audit report has been submitted under section 706(f)(2)(B) as of the beginning of the calendar year for which the amount that may be obligated is being determined, less the estimate made pursuant to paragraph (1) for that most recent calendar year; and*

*“(3) amounts permitted in preceding calendar years to be obligated pursuant to this subsection that have not been obligated.*

*“(b) EXCESS AMOUNTS DEPOSITED IN ESCROW ACCOUNT.—Assessments collected under section 707 in excess of the amount permitted to be obligated under subsection (a) in a calendar year shall be deposited in an escrow account for the duration of the covered period.*

*“(c) TREATMENT OF AMOUNTS IN ESCROW ACCOUNT.—*

*“(1) IN GENERAL.—During the covered period, the Alliance may not obligate, expend, or borrow against amounts required under subsection (b) to be deposited in the escrow account.*

*“(2) INTEREST.—Any interest earned on amounts described in paragraph (1) shall be—*

*“(A) deposited in the escrow account; and*

*“(B) unavailable for obligation for the duration of the covered period.*

*“(d) RELEASE OF AMOUNTS IN ESCROW ACCOUNT.—Beginning on October 1, 2028, the Alliance may withdraw and obligate any amount in the escrow account.*

*“(e) COVERED PERIOD DEFINED.—In this section, the term ‘covered period’ means the period that begins on February 6, 2019, and ends on September 30, 2028.”.*

*(c) CONFORMING AMENDMENTS.—The National Oilheat Research Alliance Act of 2000 (42 U.S.C. 6201 note; Public Law 106-469) is amended—*

*(1) in section 706(d)(1), by striking “not exceed 7 percent of the amount of assessments collected in any calendar year, except that during the first year of operation of the Alliance such expenses and amounts shall not exceed 10 percent of the amount of assessments” and inserting “not exceed 7 percent of the amount of assessments collected in any calendar year that are permitted to be obligated in that calendar year”; and*

*(2) in section 707—*

*(A) in subsection (e), by inserting “that are permitted to be obligated” after “amount of assessments collected in the State” each place it appears; and*

*(B) in subsection (f), by inserting “and permitted to be obligated” after “assessments collected” each place it appears.*

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## ***Subtitle F—General Provisions***

### **SEC. 12601. BAITING OF MIGRATORY GAME BIRDS.**

(a) *DEFINITIONS.—In this section:*

(1) *NORMAL AGRICULTURAL OPERATION.—The term “normal agricultural operation” has the meaning given the term in section 20.11 of title 50, Code of Federal Regulations (as in effect on the date of enactment of this Act).*

(2) *POST-DISASTER FLOODING.—The term “post-disaster flooding” means the destruction of a crop through flooding in accordance with practices required by the Federal Crop Insurance Corporation for agricultural producers to obtain crop insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) on land on which a crop was not harvestable due to a natural disaster (including any hurricane, storm, tornado, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, drought, fire, snowstorm, or other catastrophe that is declared a major disaster by the President in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170)) in the crop year—*

*(A) in which the natural disaster occurred; or*

*(B) immediately preceding the crop year in which the natural disaster occurred.*

(3) *RICE RATOONING.—The term “rice ratooning” means the agricultural practice of harvesting rice by cutting the majority of the aboveground portion of the rice plant but leaving the roots and growing shoot apices intact to allow the plant to recover and produce a second crop yield.*

(b) *REGULATIONS TO EXCLUDE RICE RATOONING AND POST-DISASTER FLOODING.—Not later than 30 days after the date of enactment of this Act, the Secretary of the Interior, in consultation with the Secretary of Agriculture, shall revise part 20 of title 50, Code of Federal Regulations, to clarify that rice ratooning and post-disaster flooding, when carried out as part of a normal agricultural operation, do not constitute baiting.*

(c) *REPORTS.—Not less frequently than once each year—*

*(1) the Secretary of Agriculture shall submit to the Secretary of the Interior a report that describes any changes to normal agricultural operations across the range of crops grown by agricultural producers in each region of the United States in which the official recommendations described in section 20.11(h) of title 50, Code of Federal Regulations (as in effect on the date of enactment of this Act), are provided to agricultural producers; and*

*(2) the Secretary of the Interior, in consultation with the Secretary of Agriculture and after seeking input from the heads of State departments of fish and wildlife or the Regional Migratory Bird Flyway Councils of the United States Fish and Wildlife Service, shall publicly post a report on the impact that rice ratooning and post-disaster flooding have on the behavior of migratory game birds that are hunted in the area in which rice ratooning and post-disaster flooding, respectively, have occurred.*

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**SEC. 12602. PIMA AGRICULTURE COTTON TRUST FUND.**

*Section 12314 of the Agricultural Act of 2014 (7 U.S.C. 2101 note; Public Law 113–79) is amended—*

*(1) by striking “2018” each place it appears and inserting “2023”;*

*(2) by striking “calendar year 2013” each place it appears and inserting “the prior calendar year”;*

*(3) in subsection (b)(2)—*

*(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;*

*(B) in the matter preceding clause (i) (as so redesignated), by striking “(2) Twenty-five” and inserting the following:*

*“(2)(A) Except as provided in subparagraph (B), twenty-five”;*

*(C) in subparagraph (A)(ii) (as so designated), by striking “subparagraph (A)” and inserting “clause (i)”;* and

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

*“(B)(i) A yarn spinner shall not receive an amount under subparagraph (A) that exceeds the cost of pima cotton that—*

*“(I) was purchased during the prior calendar year; and*

*“(II) was used in spinning any cotton yarns.*

*“(ii) The Secretary shall reallocate any amounts reduced by reason of the limitation under clause (i) to spinners using the ratio described in subparagraph (A), disregarding production of any spinner subject to that limitation.”;*

*(4) in subsection (c)—*

*(A) in the matter preceding paragraph (1), by striking “(b)(2)(A)” and inserting “(b)(2)(A)(i)”;*

*(B) in paragraph (2), by striking “and” at the end;*

*(C) in paragraph (3), by striking the period at the end and inserting “; and”;* and

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

*“(4) the dollar amount of pima cotton purchased during the prior calendar year—*

*“(A) that was used in spinning any cotton yarns; and*

*“(B) for which the producer maintains supporting documentation.”;*

*(5) in subsection (e)—*

*(A) in the matter preceding paragraph (1), by striking “by the Secretary—” and inserting “by the Secretary not later than March 15 of the applicable calendar year.”;* and

*(B) by striking paragraphs (1) and (2); and*

*(6) in subsection (f), by striking “subsection (b)—” in the matter preceding paragraph (1) and all that follows through “not later than” in paragraph (2) and inserting “subsection (b) not later than”.*

**SEC. 12603. AGRICULTURE WOOL APPAREL MANUFACTURERS TRUST FUND.**

*Section 12315 of the Agricultural Act of 2014 (7 U.S.C. 7101 note; Public Law 113–79) is amended—*

*(1) by striking “2019” each place it appears and inserting “2023”;*

*(2) in subsection (b)—*

*(A) in paragraph (1)—*

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(i) in subparagraph (A)—

(I) in the matter preceding clause (i), by striking “the payment—” and inserting “the payment, payments in amounts authorized under that paragraph.”; and

(II) by striking clauses (i) and (ii); and

(ii) in subparagraph (B)—

(I) in the matter preceding clause (i), by striking “4002(c)—” and inserting “4002(c), payments in amounts authorized under that paragraph.”; and

(II) by striking clauses (i) and (ii); and

(B) in paragraph (2), by striking “submitted—” in the matter preceding subparagraph (A) and all that follows through “to the Secretary” in subparagraph (B) and inserting “submitted to the Secretary”; and

(3) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking “subsection (b)—” and inserting “subsection (b) not later than April 15 of the year of the payment.”; and

(B) by striking paragraphs (1) and (2).

**SEC. 12604. WOOL RESEARCH AND PROMOTION.**

Section 12316(a) of the Agricultural Act of 2014 (7 U.S.C. 7101 note; Public Law 113–79) is amended by striking “2015 through 2019” and inserting “2019 through 2023”.

**SEC. 12605. EMERGENCY CITRUS DISEASE RESEARCH AND DEVELOPMENT TRUST FUND.**

(a) **DEFINITION OF CITRUS.**—In this section, the term “citrus” means edible fruit of the family Rutaceae, including any hybrid of that fruit and any product of that hybrid that is produced for commercial purposes in the United States.

(b) **ESTABLISHMENT OF TRUST FUND.**—There is established in the Treasury of the United States a trust fund, to be known as the Emergency Citrus Disease Research and Development Trust Fund (referred to in this section as the “Citrus Trust Fund”), consisting of such amounts as shall be transferred to the Citrus Trust Fund pursuant to subsection (d).

(c) **USE OF FUND.**—From amounts in the Citrus Trust Fund, the Secretary shall, beginning in fiscal year 2019, carry out the Emergency Citrus Disease Research and Extension Program in section 412(j) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7632(j)).

(d) **FUNDING.**—Of the funds of the Commodity Credit Corporation, the Secretary shall transfer to the Citrus Trust Fund \$25,000,000 for each of fiscal years 2019 through 2023, to remain available until expended.

**SEC. 12606. EXTENSION OF MERCHANDISE PROCESSING FEES.**

Section 503 of the United States–Korea Free Trade Agreement Implementation Act (Public Law 112–41; 19 U.S.C. 3805 note) is amended by striking “February 24, 2027” and inserting “May 26, 2027”.

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**SEC. 12607. REPORTS ON LAND ACCESS AND FARMLAND OWNERSHIP DATA COLLECTION.**

*(a) LAND ACCESS.—Not later than 1 year after the date of enactment of this Act, the Secretary of Agriculture, in consultation with the Chief Economist, shall submit to Congress and make publicly available a report identifying—*

*(1) the barriers that prevent or hinder the ability of beginning farmers and ranchers (as defined in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a))) and socially disadvantaged farmers and ranchers (as defined in such section) to acquire or access farmland;*

*(2) the extent to which Federal programs, including agricultural conservation easement programs, land transition programs, and financing programs, are improving—*

*(A) farmland access and tenure for beginning farmers and ranchers and socially disadvantaged farmers and ranchers; and*

*(B) farmland transition and succession; and*

*(3) the regulatory, operational, or statutory changes that are necessary to improve—*

*(A) the ability of beginning farmers and ranchers and socially disadvantaged farmers and ranchers to acquire or access farmland;*

*(B) farmland tenure for beginning farmers and ranchers and socially disadvantaged farmers and ranchers; and*

*(C) farmland transition and succession.*

*(b) FARMLAND OWNERSHIP.—The Secretary shall collect and, not less frequently than once every 3 years report, data and analysis on farmland ownership, tenure, transition, and entry of beginning farmers and ranchers and socially disadvantaged farmers and ranchers (as those terms are defined in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a))). In carrying out this subsection, the Secretary shall, at a minimum—*

*(1) collect and distribute comprehensive reporting of trends in farmland ownership, tenure, transition, barriers to entry, profitability, and viability of beginning farmers and ranchers and socially disadvantaged farmers and ranchers;*

*(2) develop surveys and report statistical and economic analysis on farmland ownership, tenure, transition, barriers to entry, profitability, and viability of beginning farmers and ranchers, including a regular follow-on survey to each Census of Agriculture with results of the follow-on survey made public not later than 3 years after the previous Census of Agriculture; and*

*(3) require the National Agricultural Statistics Service to include in the Tenure, Ownership, and Transition of Agricultural Land survey questions relating to—*

*(A) the extent to which non-farming landowners are purchasing and holding onto farmland for the sole purpose of real estate investment;*

*(B) the impact of these farmland ownership trends on the successful entry and viability of beginning farmers and ranchers and socially disadvantaged farmers and ranchers;*



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*(C) the extent to which farm and ranch land with undivided interests and no administrative authority identified have farms or ranches operating on that land; and*

*(D) the impact of land tenure patterns, categorized by—  
(i) race, gender, and ethnicity; and  
(ii) region.*

*(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$3,000,000 for each fiscal years 2019 through 2023, to remain available until expended.*

**SEC. 12608. REAUTHORIZATION OF RURAL EMERGENCY MEDICAL SERVICES TRAINING AND EQUIPMENT ASSISTANCE PROGRAM.**

*Section 330J of the Public Health Service Act (42 U.S.C. 254c-15) is amended—*

*(1) in subsection (a), by striking “in rural areas” and inserting “in rural areas or to residents of rural areas”;*

*(2) by striking subsections (b) through (f) and inserting the following:*

*“(b) ELIGIBILITY; APPLICATION.—To be eligible to receive grant under this section, an entity shall—*

*“(1) be—*

*“(A) an emergency medical services agency operated by a local or tribal government (including fire-based and non-fire based); or*

*“(B) an emergency medical services agency that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code; and*

*“(2) submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.*

*“(c) USE OF FUNDS.—An entity—*

*“(1) shall use amounts received through a grant under subsection (a) to—*

*“(A) train emergency medical services personnel as appropriate to obtain and maintain licenses and certifications relevant to service in an emergency medical services agency described in subsection (b)(1);*

*“(B) conduct courses that qualify graduates to serve in an emergency medical services agency described in subsection (b)(1) in accordance with State and local requirements;*

*“(C) fund specific training to meet Federal or State licensing or certification requirements; and*

*“(D) acquire emergency medical services equipment; and*

*“(2) may use amounts received through a grant under subsection (a) to—*

*“(A) recruit and retain emergency medical services personnel, which may include volunteer personnel;*

*“(B) develop new ways to educate emergency health care providers through the use of technology-enhanced educational methods; or*



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*“(C) acquire personal protective equipment for emergency medical services personnel as required by the Occupational Safety and Health Administration.*

*“(d) GRANT AMOUNTS.—Each grant awarded under this section shall be in an amount not to exceed \$200,000.*

*“(e) DEFINITIONS.—In this section:*

*“(1) The term ‘emergency medical services’—*

*“(A) means resources used by a public or private non-profit licensed entity to deliver medical care outside of a medical facility under emergency conditions that occur as a result of the condition of the patient; and*

*“(B) includes services delivered (either on a compensated or volunteer basis) by an emergency medical services provider or other provider that is licensed or certified by the State involved as an emergency medical technician, a paramedic, or an equivalent professional (as determined by the State).*

*“(2) The term ‘rural area’ means—*

*“(A) a nonmetropolitan statistical area;*

*“(B) an area designated as a rural area by any law or regulation of a State; or*

*“(C) a rural census tract of a metropolitan statistical area (as determined under the most recent rural urban commuting area code as set forth by the Office of Management and Budget).*

*“(f) MATCHING REQUIREMENT.—The Secretary may not award a grant under this section to an entity unless the entity agrees that the entity will make available (directly or through contributions from other public or private entities) non-Federal contributions toward the activities to be carried out under the grant in an amount equal to 10 percent of the amount received under the grant.”; and*

*(3) in subsection (g)(1), by striking “2002 through 2006” and inserting “2019 through 2023”.*

**SEC. 12609. COMMISSION ON FARM TRANSITIONS—NEEDS FOR 2050.**

*(a) ESTABLISHMENT.—There is established a commission to be known as the Commission on Farm Transitions–Needs for 2050 (referred to in this section as the “Commission”).*

*(b) STUDY.—The Commission shall conduct a study on issues impacting the transition of agricultural operations from established farmers and ranchers to the next generation of farmers and ranchers, including—*

*(1) access to, and availability of—*

*(A) quality land and necessary infrastructure;*

*(B) affordable credit;*

*(C) adequate risk management tools; and*

*(D) apprenticeship and mentorship programs;*

*(2) agricultural asset transfer strategies in use as of the date of the enactment of this Act and improvements to such strategies;*

*(3) incentives that may facilitate agricultural asset transfers to the next generation of farmers and ranchers, including an assessment of, and recommendations for, how existing and new Federal tax policies—*

*(A) facilitate lifetime and estate transfers; and*

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(B) *impact individuals seeking to farm who do not have family farm lineage or access to farmland;*  
(4) *the causes of the failures of such transitions, if any; and*  
(5) *the effectiveness of programs and incentives providing assistance with respect to such transitions in effect on the date of the enactment of this Act and opportunities for the revision or improvement of such programs.*

(c) **MEMBERSHIP.**—

(1) **COMPOSITION.**—*The Commission shall be composed of 10 members, as follows:*

(A) *3 members appointed by the Secretary.*

(B) *3 members appointed by the Committee on Agriculture, Nutrition, and Forestry of the Senate.*

(C) *3 members appointed by the Committee on Agriculture of the House of Representatives.*

(D) *The Chief Economist of the Department of Agriculture.*

(2) **FEDERAL GOVERNMENT EMPLOYMENT.**—*In addition to the Chief Economist of the Department of Agriculture, the membership of the Commission may include 1 or more employees of the Department of Agriculture or other Federal agencies.*

(3) **DATE OF APPOINTMENTS.**—*The appointment of all members of the Commission shall be made not later than 60 days after the date of enactment of this Act.*

(4) **TERM; VACANCIES.**—

(A) **TERM.**—*A member shall be appointed for the life of the Commission.*

(B) **VACANCIES.**—*A vacancy on the Commission—*

(i) *shall not affect the powers of the Commission; and*

(ii) *shall be filled in the same manner as the original appointment was made.*

(5) **INITIAL MEETING.**—*Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold the initial meeting of the Commission.*

(d) **QUORUM.**—*A majority of the members of the Commission shall constitute a quorum for the transaction of business, but a lesser number of members may hold hearings.*

(e) **CHAIRPERSON.**—*The Secretary shall appoint 1 of the members of the Commission to serve as Chairperson of the Commission.*

(f) **REPORT.**—*Not later than 1 year after the date of enactment of this Act, the Commission shall submit to the President, the Committee on Agriculture of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report containing the results of the study required by subsection (b), including such recommendations as the Commission considers appropriate.*

(g) **HEARINGS.**—*The Commission may hold such hearings, meet and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out this section.*

(h) **INFORMATION FROM FEDERAL AGENCIES.**—*The Commission may secure directly from a Federal agency such information as the Commission considers necessary to carry out this section. On re-*

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quest of the Chairperson of the Commission, the head of the agency shall provide the information to the Commission.

(i) *POSTAL SERVICES.*—The Commission may use the United States mail in the same manner and under the same conditions as other agencies of the Federal Government.

(j) *ASSISTANCE FROM SECRETARY.*—The Secretary may provide to the Commission appropriate office space and such reasonable administrative and support services as the Commission may request.

(k) *COMPENSATION OF MEMBERS.*—

(1) *NON-FEDERAL EMPLOYEES.*—A member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Commission.

(2) *FEDERAL EMPLOYEES.*—A member of the Commission who is an officer or employee of the Federal Government shall serve without compensation in addition to the compensation received for the services of the member as an officer or employee of the Federal Government.

(3) *TRAVEL EXPENSES.*—A member of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for an employee of an agency under subchapter I of chapter 57 of title 5, United States Code, while away from the home or regular place of business of the member in the performance of the duties of the Commission.

(l) *FEDERAL ADVISORY COMMITTEE ACT.*—Sections 9 and 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission or any proceeding of the Commission.

(m) *TERMINATION.*—The Commission shall terminate on September 30, 2023.

**SEC. 12610. EXCEPTIONS UNDER UNITED STATES GRAIN STANDARDS ACT.**

(a) *GEOGRAPHIC BOUNDARIES FOR OFFICIAL AGENCIES.*—Section 7 of the United States Grain Standards Act (7 U.S.C. 79) is amended—

(1) in subsection (f)(2)—

(A) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (iii), and (iv), respectively, and indenting appropriately;

(B) in the matter preceding clause (i) (as so redesignated), by striking “Not more” and inserting the following:

“(A) *IN GENERAL.*—Subject to subparagraph (B), not more”;

(C) in subparagraph (A) (as so designated), in the matter preceding clause (i) (as so redesignated), by striking “Secretary, except that, if” and inserting the following: “Secretary.”

“(B) *EXCEPTIONS.*—Subject to subsection (g)(4)(A), if”;

(D) in subparagraph (B) (as so designated), by inserting after clause (i) the following:

“(ii) a person requesting inspection services in that geographic area has not been receiving official inspec-

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tion services from the current designated official agency for that geographic area.”; and

(E) by adding at the end the following:

“(C) *TERMINATION OF NONUSE OF SERVICE EXCEPTION.*—The exception under subparagraph (B)(ii) may only be terminated if all parties to that exception jointly agree on the termination, unless terminated according to subsection (g)(4)(A).

“(D) *RESTORATION OF CERTAIN EXCEPTIONS.*—

“(i) *DEFINITION OF ELIGIBLE GRAIN HANDLING FACILITY.*—In this subparagraph, the term ‘eligible grain handling facility’ means a grain handling facility that—

“(I) was granted an exception under the final rule entitled ‘Exceptions to Geographic Areas for Official Agencies Under the USGSA’ (68 Fed. Reg. 19137 (April 18, 2003)); and

“(II) had that exception revoked between September 30, 2015, and the date of enactment of the Agriculture Improvement Act of 2018.

“(ii) *RESTORATION OF EXCEPTIONS.*—Within 90 days of notification from an eligible grain handling facility, the Secretary shall restore an exception described in clause (i)(I) with an official agency if—

“(I) the eligible grain handling facility and the former excepted official agency agree to restore that exception; and

“(II) the eligible grain handling facility notifies the Secretary of the preferred date for restoration of the exception within 90 days of enactment of the Agriculture Improvement Act of 2018.”; and

(2) in subsection (g), by adding at the end the following:

“(4) *EFFECT ON EXCEPTIONS.*—

“(A) *IN GENERAL.*—The exceptions under clauses (ii) and (iv) of subsection (f)(2)(B) shall not apply if the designation of an official agency is terminated, pursuant to paragraph (1).

“(B) *DESIGNATION RENEWED OR RESTORED.*—If the designation of an official agency is renewed or restored after being terminated under paragraph (1), the Secretary may renew or restore the exceptions under subsection (f)(2)(B) in accordance with that subsection.”.

(b) *UNAUTHORIZED WEIGHING PROHIBITED.*—Section 7A(i)(2) of the United States Grain Standards Act (7 U.S.C. 79a(i)(2)) is amended—

(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (iii), respectively, and indenting appropriately;

(2) in the matter preceding clause (i) (as so redesignated), by striking “Not more” and inserting the following:

“(A) *IN GENERAL.*—Subject to subparagraph (B), not more”;

(3) in subparagraph (A) (as so designated), in the matter preceding clause (i) (as so redesignated), by striking “Secretary, except that, if” and inserting the following: “Secretary.

“(B) *EXCEPTIONS.*—If”;

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- (4) *in subparagraph (B) (as so designated)—*  
(A) *in clause (i), by striking “or” at the end; and*  
(B) *by inserting after clause (i) the following:*  
    “(ii) *a person requesting weighing services in that geographic area has not been receiving official weighing services from the current designated official agency for that geographic area; or*”; and
- (5) *by adding after subparagraph (B) (as so designated)—*  
    “(C) **RESTORATION OF CERTAIN EXCEPTIONS.—**  
        “(i) **DEFINITION OF ELIGIBLE GRAIN HANDLING FACILITY.—***In this subparagraph, the term ‘eligible grain handling facility’ means a grain handling facility that—*  
            “(I) *was granted an exception under the final rule entitled ‘Exceptions to Geographic Areas for Official Agencies Under the USGSA’ (68 Fed. Reg. 19137 (April 18, 2003)); and*  
            “(II) *had that exception revoked between September 30, 2015 and the date of enactment of the Agriculture Improvement Act of 2018.*  
        “(ii) **RESTORATION OF EXCEPTIONS.—***Within 90 days of notification from an eligible grain handling facility, the Secretary shall restore an exception described in clause (i)(I) with an official agency if—*  
            “(I) *the eligible grain handling facility and the former excepted official agency agree to restore that exception; and*  
            “(II) *the eligible grain handling facility notifies the Secretary of the preferred date for restoration of the exception within 90 days of enactment of the Agriculture Improvement Act of 2018.*”.
- (c) **TECHNICAL CORRECTION.—***Section 7(f)(1) of the United States Grain Standards Act (7 U.S.C. 79(f)(1)) is amended by indenting subparagraph (C) appropriately.*
- SEC. 12611. CONFERENCE REPORT REQUIREMENT THRESHOLD.**  
*Section 14209(a)(3)(A) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 2255b(a)(3)(A)) is amended by striking “\$10,000” and inserting “\$50,000”.*
- SEC. 12612. NATIONAL AGRICULTURE IMAGERY PROGRAM.**  
(a) **IN GENERAL.—***The Secretary of Agriculture, acting through the Administrator of the Farm Service Agency, shall carry out a national agriculture imagery program to annually acquire aerial imagery during agricultural growing seasons from the continental United States.*  
(b) **DATA.—***The aerial imagery acquired under this section shall—*  
    (1) *consist of high resolution processed digital imagery;*  
    (2) *be made available in a format that can be provided to Federal, State, and private sector entities;*  
    (3) *be technologically compatible with geospatial information technology; and*  
    (4) *be consistent with the standards established by the Federal Geographic Data Committee.*



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(c) *SUPPLEMENTAL SATELLITE IMAGERY.*—*The Secretary of Agriculture may supplement the aerial imagery collected under this section with satellite imagery.*

(d) *AUTHORIZATION OF APPROPRIATIONS.*—*There is authorized to be appropriated to carry out this section \$23,000,000 for fiscal year 2019 and each fiscal year thereafter.*

**SEC. 12613. REPORT ON INCLUSION OF NATURAL STONE PRODUCTS IN COMMODITY PROMOTION, RESEARCH, AND INFORMATION ACT OF 1996.**

*Not later than 180 days after the date of the enactment of this Act, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report examining the effect the establishment of a Natural Stone Research and Promotion Board pursuant to the Commodity Promotion, Research, and Information Act of 1996 (7 U.S.C. 7401 et seq.) would have on the natural stone industry, including how such a program would effect—*

- (1) research conducted on, and the promotion of, natural stone;*
- (2) the development and expansion of domestic markets for natural stone;*
- (3) economic activity of the natural stone industry subject to such a Board;*
- (4) economic development in rural areas; and*
- (5) benefits to consumers in the United States of natural stone products.*

**SEC. 12614. ESTABLISHMENT OF FOOD ACCESS LIAISON.**

(a) *IN GENERAL.*—*Subtitle A of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6901 et seq.), as amended by sections 12202, 12302, 12403, and 12504, is amended by adding at the end the following:*

**“SEC. 225. FOOD ACCESS LIAISON.**

*“(a) ESTABLISHMENT.*—*The Secretary shall establish the position of Food Access Liaison to coordinate Department programs to reduce barriers to food access and monitor and evaluate the progress of such programs in accordance with this section.*

*“(b) DUTIES.*—*The Food Access Liaison shall—*

- “(1) coordinate the efforts of the Department, including regional offices, to experiment and consider programs and policies aimed at reducing barriers to food access for consumers, including but not limited to participants in nutrition assistance programs;*
- “(2) provide outreach to entities engaged in activities to reduce barriers to food access in accordance with the statutory authorization for each program;*
- “(3) provide outreach to entities engaged in activities to reduce barriers to food access, including retailers, markets, producers, and others involved in food production and distribution, with respect to the availability of, and eligibility for, Department programs;*
- “(4) raise awareness of food access issues in interactions with employees of the Department;*



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*“(5) make recommendations to the Secretary with respect to efforts to reduce barriers to food access; and*

*“(6) submit to Congress an annual report with respect to the efforts of the Department to reduce barriers to food access.”.*

*(b) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to entities that are participants, or seek to participate, in Department of Agriculture programs related to reduction of barriers to food access.*

**SEC. 12615. ELIGIBILITY FOR OPERATORS ON HEIRS PROPERTY LAND TO OBTAIN A FARM NUMBER.**

*(a) DEFINITIONS.—In this section:*

*(1) ELIGIBLE DOCUMENTATION.—The term “eligible documentation”, with respect to land for which a farm operator seeks assignment of a farm number under subsection (b)(1), includes—*

*(A) in States that have adopted a statute consisting of an enactment or adoption of the Uniform Partition of Heirs Property Act, as approved and recommended for enactment in all States by the National Conference of Commissioners on Uniform State Laws in 2010—*

*(i) a court order verifying the land meets the definition of heirs property (as defined in that Act); or*

*(ii) a certification from the local recorder of deeds that the recorded owner of the land is deceased and not less than 1 heir of the recorded owner of the land has initiated a procedure to retitle the land in the name of the rightful heir;*

*(B) a fully executed, unrecorded tenancy-in-common agreement that sets out ownership rights and responsibilities among all of the owners of the land that—*

*(i) has been approved by a majority of the ownership interests in that property;*

*(ii) has given a particular owner the right to manage and control any portion or all of the land for purposes of operating a farm or ranch; and*

*(iii) was validly entered into under the authority of the jurisdiction in which the land is located;*

*(C) the tax return of a farm operator farming a property with undivided interests for each of the 5 years preceding the date on which the farm operator submits the tax returns as eligible documentation under subsection (b);*

*(D) self-certification that the farm operator has control of the land for purposes of operating a farm or ranch; and*

*(E) any other documentation identified by the Secretary under subsection (c).*

*(2) FARM NUMBER.—The term “farm number” has the meaning given the term in section 718.2 of title 7, Code of Federal Regulations (as in effect on the date of enactment of this Act).*

*(b) FARM NUMBER.—*

*(1) IN GENERAL.—The Secretary shall provide for the assignment of a farm number to any farm operator who provides any form of eligible documentation for purposes of demonstrating that the farm operator has control of the land for purposes of defining that land as a farm.*

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(2) *ELIGIBILITY.*—Any farm number provided under paragraph (1) shall be sufficient to satisfy any requirement of the Secretary to have a farm number to participate in a program of the Secretary.

(c) *ELIGIBLE DOCUMENTATION.*—The Secretary shall identify alternative forms of eligible documentation that a farm operator may provide in seeking the assignment of a farm number under subsection (b)(1).

**SEC. 12616. EXTENDING PROHIBITION ON ANIMAL FIGHTING TO THE TERRITORIES.**

(a) *IN GENERAL.*—Section 26 of the Animal Welfare Act (7 U.S.C. 2156) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking “Except as provided in paragraph (3), it” and inserting “It”; and

(B) by striking paragraph (3);

(2) by striking subsection (d); and

(3) by redesignating subsections (e), (f), (g), (h), (i), and (j) as subsections (d), (e), (f), (g), (h), and (i), respectively.

(b) *USE OF POSTAL SERVICE OR OTHER INTERSTATE INSTRUMENTALITIES.*—Section 26(c) of the Animal Welfare Act (7 U.S.C. 2156(c)) is amended by striking “(e)” and inserting “(d)”.

(c) *CRIMINAL PENALTIES.*—Subsection (i) of section 26 of the Animal Welfare Act (7 U.S.C. 2156), as redesignated by section 2(3), is amended by striking “(e)” and inserting “(d)”.

(d) *ENFORCEMENT OF ANIMAL FIGHTING PROHIBITIONS.*—Section 49(a) of title 18, United States Code, is amended by striking “(e)” and inserting “(d)”.

(e) *EFFECTIVE DATE.*—The amendments made by this section shall take effect on the date that is one year after the date of the enactment of this Act.

**SEC. 12617. EXEMPTION OF EXPORTATION OF CERTAIN ECHINODERMS FROM PERMISSION AND LICENSING REQUIREMENTS.**

(a) *DEFINITIONS.*—In this section:

(1) *CONSERVATION AND MANAGEMENT.*—The term “conservation and management” has the meaning given the term in section 3 of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1802).

(2) *MARINE FISHERIES COMMISSION.*—The term “Marine Fisheries Commission” means an interstate commission (as that term is used in the Interjurisdictional Fisheries Act of 1986 (16 USC 4101 et seq.)).

(3) *STATE JURISDICTION.*—The term “State jurisdiction” means areas under the jurisdiction and authority of a State as described in section 306(a)(2) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1856(a)(2)).

(b) *EXEMPTION.*—Not later than 90 days after the date of enactment of this Act, the Director of the United States Fish and Wildlife Service shall amend section 14.92 of title 50, Code of Federal Regulations, to clarify that—

(1) except as provided in paragraph (2) and subsection (d)(2)—

(A) fish and wildlife described in subsection (c) are fishery products exempt from the export permission require-

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*ments of section 9(d)(1) of the Endangered Species Act of 1973 (16 U.S.C. 1538(d)(1)); and*

*(B) any person may engage in business as an exporter of fish or wildlife described in subsection (c) without procuring—*

*(i) permission under section 9(d)(1) of the Endangered Species Act of 1973 (16 U.S.C. 1538(d)(1)); or*

*(ii) an export license under subpart I of part 14 of title 50, Code of Federal Regulations (or successor regulations); and*

*(2) notwithstanding paragraph (1), unless the person has qualified for and obtained an export license described in paragraph (1)(B)(ii), any person that has been convicted of 1 or more violations of a Federal law relating to the importation, transportation, or exportation of wildlife shall not be permitted, during the 5-year period beginning on the date of the most recent conviction, to engage in business as an exporter of fish or wildlife described in subsection (c).*

*(c) COVERED FISH OR WILDLIFE.—The fish or wildlife referred to in subsection (b) are members of the species *Strongylocentrotus droebachiensis* (commonly known as the “green sea urchin”), including any products of that species, that—*

*(1) do not require a permit under part 16, 17, or 23 of title 50, Code of Federal Regulations (or successor regulations);*

*(2)(A) are harvested in waters under State jurisdiction; or*

*(B) are imported for processing in the United States pursuant to an import license as required under section 14.91 of title 50, Code of Federal Regulations (or a successor regulation), and not exempt from import license requirements under section 14.92 of that title (as in effect on the day before the date of enactment of this Act); and*

*(3) are exported for purposes of human or animal consumption.*

*(d) INFORMATION COLLECTION ON EXPORTS.—*

*(1) IN GENERAL.—The State agency that regulates or otherwise oversees a State fishery in which the fish and wildlife described in subsection (c) are harvested shall annually transmit the conservation and management data (as defined in subsection (a)) to the Interstate Fisheries Management Program Policy Board of the applicable Marine Fisheries Commission.*

*(2) PRIVACY.—Such data thereafter shall not be released and shall be maintained as confidential by such applicable Marine Fisheries Commission, including data requested under the section 552 of title 5, United States Code, unless disclosure is required under court order or unless the data is essential for an enforcement action under Federal wildlife management laws.*

*(3) EXCLUSION.—The exemption under subsection (b)(1) shall not apply in a State if—*

*(A) the State fails to transmit the data required under paragraph (1); or*

*(B) the applicable Marine Fisheries Commission determines, in consultation with the primary research agency of such Commission, after notice and an opportunity to comment, that the data required under paragraph (1) fails to prove that the State agency or official is engaged in con-*

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*ervation and management of the fish or wildlife described in subsection (c).*

**SEC. 12618. DATA ON CONSERVATION PRACTICES.**

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

**“SEC. 1247. DATA ON CONSERVATION PRACTICES.**

*“(a) DATA ON CONSERVATION PRACTICES.—The Secretary shall identify available data sets within the Department of Agriculture regarding the use of conservation practices and the effect of such practices on farm and ranch profitability (including such effects relating to crop yields, soil health, and other risk-related factors).*

*“(b) REPORT.—Not later than 1 year after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that includes—*

*“(1) a summary of the data sets identified under subsection (a);*

*“(2) a summary of the steps the Secretary would have to take to provide access to such data sets by university researchers, including taking into account any technical, privacy, or administrative considerations;*

*“(3) a summary of safeguards the Secretary employs when providing access to data to university researchers;*

*“(4) a summary of appropriate procedures to maximize the potential for research benefits while preventing any violations of privacy or confidentiality; and*

*“(5) recommendations for any necessary authorizations or clarifications of Federal law to allow access to such data sets to maximize the potential for research benefits.”.*

**SEC. 12619. CONFORMING CHANGES TO CONTROLLED SUBSTANCES ACT.**

*(a) IN GENERAL.—Section 102(16) of the Controlled Substances Act (21 U.S.C. 802(16)) is amended—*

*(1) by striking “(16) The” and inserting “(16)(A) Subject to subparagraph (B), the”; and*

*(2) by striking “Such term does not include the” and inserting the following:*

*“(B) The term ‘marihuana’ does not include—*







*“(i) hemp, as defined in section 297A of the Agricultural Marketing Act of 1946; or*

*“(ii) the”.*

*(b) TETRAHYDROCANNABINOL.—Schedule I, as set forth in section 202(c) of the Controlled Substances Act (21 U.S.C. 812(c)), is amended in subsection (c)(17) by inserting after “Tetrahydrocannabinols” the following: “, except for tetrahydrocannabinols in hemp (as defined under section 297A of the Agricultural Marketing Act of 1946)”.*

*And the Senate agree to the same.*

H. R. 2

<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
From the Committee on Agriculture, for consideration of the House bill and the Senate amendment, and modifications committed to conference:	
 Mr. CONAWAY	
 Mr. THOMPSON of Pennsylvania	
 Mr. GOODLATTE	
 Mr. LUCAS	
 Mr. ROGERS of Alabama	
 Mr. AUSTIN SCOTT of Georgia	
 Mr. CRAWFORD	



### H. R. 2—Continued

*Managers on the part of the  
HOUSE*

*Managers on the part of the  
SENATE*

Mrs. HARTZLER

Mr. RODNEY DAVIS of Illinois

Mr. YOHO

Mr. ROUZER

Mr. MARSHALL

Mr. ARRINGTON

Mr. PETERSON

Mr. DAVID SCOTT of Georgia



### H. R. 2—Continued

*Managers on the part of the  
HOUSE*

*Managers on the part of the  
SENATE*



Mr. COSTA




Ms. FUDGE



Mr. MCGOVERN



Mr. VELA



Ms. KUSTER of New Hampshire



Mr. O'HALLERAN

### H. R. 2—Continued

<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
<p>From the Committee on Education and the Workforce, for consideration of secs. 4204, 4205, and 9131 of the House bill, and modifications committed to conference:</p>	
<p><i>Virginia Fox</i> Ms. FOX</p>	
<p><i>Rick Allen</i> Mr. ALLEN</p>	
<p><i>Ann Adams</i> Ms. ADAMS</p>	



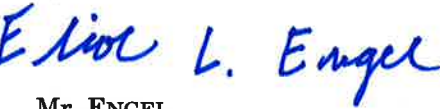
### H. R. 2—Continued

<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
<p>From the Committee on Energy and Commerce, for consideration of subtitles A and B of title VI, secs. 6202, 6203, 6401, 6406, 6407, 6409, 6603, 7301, 7605, 8106, 8507, 9119, 9121, and 11101 of the House bill, and secs. 6116, 6117, 6202, 6206-09, 6301, 6303, 7412, 9102, 9104, 9106, 9111-13, 12408, 12627, and 12628 of the Senate amendment, and modifications committed to conference:</p>	
<p><del>REDACTED</del></p>	
<p><i>Ben Cramer</i> Mr. CRAMER</p>	
<p><del>REDACTED</del></p>	

### H. R. 2—Continued

<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
From the Committee on Financial Services, for consideration of sec. 12609 of the Senate amendment, and modifications committed to conference:	
[REDACTED]	
[REDACTED]	
[REDACTED]	

### H. R. 2—Continued

<i>Managers on the part of the</i> <b>HOUSE</b>	<i>Managers on the part of the</i> <b>SENATE</b>
From the Committee on Foreign Affairs, for consideration of title III of the House bill, and modifications committed to conference:	
 <small>Mr. ROYCE</small>	
 <small>Mr. CHABOT</small>	
 <small>Mr. ENGEL</small>	

### H. R. 2—Continued

*Managers on the part of the  
HOUSE*

*Managers on the part of the  
SENATE*

From the Committee on Natural Resources, for consideration of secs. 2802, 6408, 8104, 8107, 8109, subtitles B and C of title VIII, 8402, 8502, 8503, 8506, 8507, 8509, 8510, 9111, 11614, and 11615 of the House bill, and sec. 2425, subtitle D of title VIII, secs. 8601, 8611, 8621-28, 8631, 8632, 12515, 12601, and 12602 of the Senate amendment, and modifications committed to conference:



Mr. BISHOP of Utah






Mr. WESTERMAN






Mr. GRIJALVA






### H. R. 2—Continued

<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
From the Committee on Oversight and Government Reform, for consideration of secs. 1601, 4022, 4026, 8502, and 11609 of the House bill, and secs. 3113, 7128, 8623, 8630, 8632, 12301, and 12407 of the Senate amendment, and modifications committed to conference:	
	
 Mr. COMER	
	


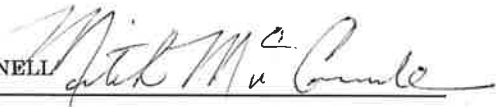
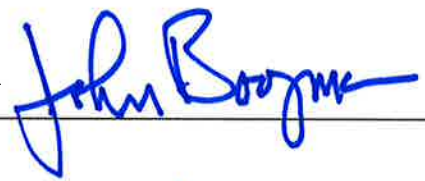





### H. R. 2—Continued

<i>Managers on the part of the</i> <b>HOUSE</b>	<i>Managers on the part of the</i> <b>SENATE</b>
<p>From the Committee on Science, Space, and Technology, for consideration of sec. 7509 of the House bill, and sec. 7409 of the Senate amendment, and modifications committed to conference:</p>	
 <p>Mr. ABRAHAM</p>	
 <p>Mr. DUNN</p>	
 <p>Ms. EDDIE BERNICE JOHNSON of Texas</p>	

### H. R. 2—Continued

<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
<p>From the Committee on Transportation and Infrastructure, for consideration of secs. 2404, 6223, 6224, 6503, 9117, and 9118 of the House bill, and secs. 2415, 2416, 6124, 6304, and 7412 of the Senate amendment, and modifications committed to conference:</p>	
 Mr. DENHAM	
 Mr. GIBBS	
 Mrs. BUSTOS	

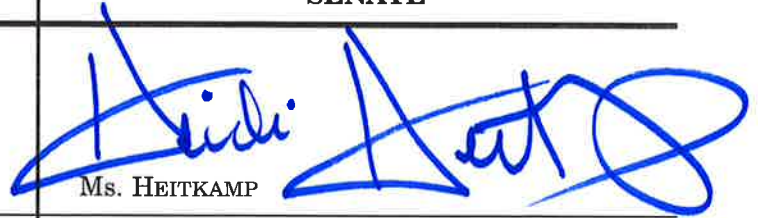
### H. R. 2—Continued

<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
	Mr. ROBERTS 
	Mr. MCCONNELL 
	Mr. BOOZMAN 
	Mr. HOEVEN 
	Mrs. ERNST 
	Ms. STABENOW 
	Mr. LEAHY 
	Mr. BROWN 

### H. R. 2—Continued

*Managers on the part of the  
HOUSE*

*Managers on the part of the  
SENATE*



Ms. HEITKAMP

#### Joint Explanatory Statement of the Committee of Conference

The managers on the part of the Senate and the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill, H.R. 2, to provide for the reform and continuation of agricultural and other programs of the Department of Agriculture through fiscal year 2023, and for other purposes, submit the following joint statement to the Senate and the House in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment that is a substitute for the House bill and the Senate amendment.

The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.



## Title I – Commodities

### *(1) Definitions*

The House bill proposes a freestanding version of the farm program statutory framework, and provides definitions for 24 terms applicable to the commodity program provisions in subtitles A and B of the Act. Most are the same as current law, with exceptions in the following paragraphs of section 1111: (4) Base Acres: technical change is made to cross reference the same definition in the 2014 Act; (5) Covered Commodities: updated to include seed cotton in the underlying definition; (7) Effective Reference Price: defined to mean the lesser of: (A) An amount equal to 115% of the reference price for such covered commodity; or (B) An amount equal to the greater of— (i) the reference price for such covered commodity; or (ii) 85 percent of the average of the marketing year average price of the covered commodity for the most recent 5 crop years, excluding each of the crop years with the highest and lowest marketing year average price. (9) Marketing Year Average Price: included as defined term in lieu of repeated references to “national average market price received by producers during the 12-month marketing year for a covered commodity”; (13) Payment Yield: conforming amendment is included to reflect reenactment of new Title I provisions. (21) Temperate Japonica Rice: the reference to one-time reallocation of base acres under the Agriculture Act of 2014 is deleted. The House bill also deletes the current law definitions of “County Coverage” and “Individual Coverage”, consistent with the House bill’s proposal to repeal the Agriculture Risk Coverage (ARC) individual program. The definition of “Generic Base Acres” is also omitted. (Section 1111)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment to add a definition of “effective reference price” to section 1111 of the Agricultural Act of 2014. (Section 1101)

### *(2) Base Acres*

The House bill deletes the provisions in section 1112(a) of the Agricultural Act of 2014 governing the 2009 through 2012 crop year-based 1-time base reallocation. (Section 1112(a)-(c)(2))

The Senate amendment amends section 1112(c)(2) to make a technical correction to update the reference to the wetlands reserve program to wetland reserve easements. (Section 1709(a))

The Conference substitute adopts the Senate provision. (Section 1102(a))

The Managers expect the Farm Service Agency (FSA) to provide information to producers regarding the treatment of base on a farm prior to a producer making a decision on whether or not to reenroll the farm in a CRP contract.

### *(3) Base Acres-Treatment of Unplanted Base Acres*

The House bill requires that in the case of a farm on which no covered commodities (including seed cotton) were planted during 2009 through 2017, the Secretary shall allocate all base acres on the farm to unassigned crop base for which no payment shall be made under the Price Loss Coverage (PLC) or ARC programs.

The House bill also requires the Secretary to ensure that producers do not reconstitute the farm to void or change the treatment of base acres section 1112. (Section 1112(c)(3)-(c)(4))

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment to provide that in the case of a farm on which all of the cropland was planted to grass or pasture (including cropland that was idle or fallow), as determined by the Secretary, during 2009 through 2017, the Secretary shall maintain all base acres and payment yields for the covered commodities on the farm, except that no payment shall be made with respect to those base acres under the PLC or ARC programs for the 2019 through 2023 crop years. In addition, producers on a farm for which all the base acres are maintained under this provision are ineligible for the option to change their PLC / ARC election under new section 1115(h) of the Agricultural Act of 2014 as added by section 1105 of the bill. (Section 1102(b))

The Managers intend for base acreage on entire farms planted to grass and pasture to be limited to include only FSA crop codes for grass (subcategories of grass and native grass) and idle (subcategories of fallow and idle) for the purposes of the provision. The Managers intend for FSA to electronically maintain all of the base acres on the farm as the crop base for the covered commodity, along with program payment yields for the farm. The Managers do not intend for the base acres to be categorized as unassigned crop base, nor that unassigned crop base will be affected by this provision.

The Managers do not intend for base acreage planted to annual forages, such as sorghum-sudangrass or grazed commodities, to be considered planted to grass and pasture for the purposes of the provision. The Managers do not intend for base acreage assigned to idle crop codes (other than those for the subcategories of idle and fallow) and for base acreage under a CRP contract to be considered planted to grass and pasture for the purposes of the provision.

The Managers expect FSA to consult with the Committees during the process of identifying the base acreage that they determine to be subject to new section 1112(d)(3).

#### *(4) Payment Yields – Designated Oilseeds*

The House bill provides for the establishment of designated oilseed yields for a farm that does not have a payment yield under the Agricultural Act of 2014 (same as current law).

The House bill also increases the payment yield for designated oilseeds from 75 percent to 90 percent of the average yield per planted acre for the most recent 5 years. (Section 1113)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment to clarify that the payment yield for designated oilseeds shall be established at 90 percent of the average yield per planted acre for the most recent 5 years shall apply only with respect to oilseed designated after the date of enactment of the Agriculture Improvement Act of 2018. (Section 1103(a))

#### *(5) Payment Yields-Single Opportunity to Update Yields in Counties Affected by Drought*

The House bill provides: (1) a single opportunity for the owner of a farm to update yields only where the farm is physically located in a county that experienced 20 or

more consecutive weeks of exceptional drought during 2008 through 2012; (2) by covered-commodity, yields may be updated at 90% of average yield per planted acre for the 2013 through 2017 crop years (excluding any year in which the acreage planted to the covered commodity was zero); (3) if the farm-level yield is less than 75% of the average county yield for a covered commodity for any of the years, then the Secretary shall assign 75% of the 2013-2017 average county yield for the covered commodity for that crop year; (4) the election must be made in time for the 2019 crop year; and (5) the average yield for seed cotton per planted acre equals 2.4 times the average yield for upland cotton per planted acre. (Section 1113(c))

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment to provide the owners of all farms in the country a one-time opportunity to update the payment yield that would otherwise be used in calculating any PLC payment for each covered commodity on the farm, based on a formula specified in the statute, to be in effect beginning with the 2020 crop year. (Section 1103(b))

#### *(6) Payment Acres*

The House bill amends the minimum 10 base acre test for PLC or ARC payments to provide an exception for producers who collectively have more than 10 base acres across all farms in which they have an interest. Section 1114(c)(4) provides that for each crop year for which fruits, vegetables (other than mung beans and pulse crops), or wild rice are planted to base acres on a farm for which a reduction in payment acres is made, the Secretary shall consider such base acres to be planted, or prevented from planting, to a covered commodity for purposes of any adjustment or reduction of base acres for the farm under section 1112 of the Agricultural Act of 2014. (Section 1114)

The Senate amendment amends current law section 1114(e) of the Agricultural Act of 2014 to provide that: (A) if the Secretary recalculates base acres for a farm while a farm is engaged in planting and production of fruits, vegetables, or wild rice on base acres for which a reduction in payment acres was made, that planting and production shall be considered to be the same as the planting and production of a covered commodity; and (B) this provision does not authorize the Secretary to recalculate base acres for a farm (Section 1101)

The Conference substitute adopts the House provision with an amendment to add beginning and veteran farmers or ranchers to the current law exception for socially disadvantaged farmers and ranchers from the minimum 10 base acre test for PLC or ARC payments. (Section 1104)

#### *(7) Producer Election*

The House bill deletes references to ARC Individual coverage, but otherwise is consistent with current law, providing that failure to make a unanimous election for the 2019 crop year results in no program payments on the farm for the 2019 crop year, and that the producers on the farm are deemed to have elected PLC for all covered commodities on the farm for the 2020-2023 crop years. (Section 1115)

The Senate amendment makes current law section 1115(a) applicable for the 2019 through 2023 crop years. The Senate amendment also amends current law 1115(c) to provide that failure to make a unanimous election for the 2019 crop year results in no program payments to the farm for the 2019 crop year, and the producers on the farm are

deemed to have elected ARC county coverage for all covered commodities on the farm for the 2020-2023 crop years. (Section 1102)

The Conference substitute adopts the Senate provision with an amendment that failure to make a unanimous election for the 2019 crop year results in no program payments to the farm for the 2019 crop year, and the producers on the farm are deemed to have elected the same coverage for each covered commodity on the farm for the 2020 through 2023 crop years as was applicable for the 2015 through 2018 crop years. (Section 1105)

*(8) Option to Change Producer Election*

The Senate amendment amends section 1115 by adding a new subsection (h) to provide that for the 2021 crop year, all of the producers on a farm may make a one-time, irrevocable election to change the election applicable to the producers on the farm to PLC or ARC, which shall apply to the producers on the farm for each of the 2021, 2022, and 2023 crop years. (Section 1106)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment to allow producers an opportunity to change program elections annually beginning with crop year 2021. (Section 1105(5))

The Managers intend for eligible producers to have the opportunity to voluntarily change program elections annually beginning with crop year 2021 under similar terms as the crop year 2019 election, including unanimous elections on a farm-by-farm and covered commodity-by-covered commodity basis. However, the Managers do not intend for FSA to require producers to make a new election or to reaffirm previous elections in crop year 2021 or each crop year thereafter. This is an option to be exercised solely at the discretion of the producers on the farm.

*(9) One time filing for ARC and PLC*

The House bill provides the following: (a) During the first enrollment period announced by the Farm Service Agency (FSA) after the date of the enactment, producers on a farm may file a one-time program contract with the Secretary to enroll in ARC or PLC through crop year 2023. (b) In the case of a change in a farming operation for which producers on a farm have filed a one-time program contract, the producers must file an updated program contract with the Secretary not later than one year after such change in the farming operation occurs. (c) The Secretary shall provide to each producer that files a one-time program contract a notice that includes the applicable annual and other periodic reporting requirements. (d) The Secretary shall issue regulations necessary to carry out this section; and revise section 1412.41 of title 7, Code of Federal Regulations, in accordance with this section. (Section 1612)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(10) Price Loss Coverage*

The House bill, effective for crop years 2019-2023, sets the PLC payment rate as the difference between (1) the effective reference price and (2) the effective price.

In order to reflect price premiums, the House bill provides a reference price for temperate japonica rice in an amount equal to (1) the effective price established for long

grain rice, multiplied by the ratio obtained by dividing: (A) the simple average of the marketing year average price of medium grain rice from the 2012 through 2016 crop years; by (B) the simple average of the marketing year average price of all rice from the 2012 through 2016 crop years. (Section 1116)

The Senate amendment amends section 1116 of the Agricultural Act of 2014 to extend PLC provisions through crop year 2023, with an amendment to require that within 30 days after the end of each applicable 12 month marketing year for each covered commodity, the Secretary shall publish the payment rate determined under 1116(c). (Section 1103)

The Conference substitute adopts the House provision with an amendment to require that within 30 days after the end of each applicable 12-month marketing year for each covered commodity, the Secretary shall publish the payment rate determined under 1116(c). (Section 1106)

*(11) Agriculture Risk Coverage*

The House bill enacts the same provisions as current law for ARC county coverage applicable to crop years 2019 through 2023. By omission ARC individual would expire at the end of the 2018 crop year.

The House bill also enacts the same provisions as current law, with the following changes: (1) deletes section 1117(g)(3) provisions to delete the ARC individual provisions; (2) amends section 1117(g)(4) to require the Secretary to assign an actual or benchmark county yield for each planted acre for the crop year for the covered commodity – (A) for a county for which county data collected by the Risk Management Agency (RMA) is sufficient to offer a county-wide insurance product using the actual average county yield determined by RMA; or (B) for other counties using, as determined by the Secretary – (i) other sources of yield information; or (ii) the yield history of representative farms in the State, region, or crop reporting district; (3) adds a new requirement that the Secretary make ARC payments to producers using the payment rate of the county of the physical location of the base acres of a farm; and (4) deletes “to the maximum extent practicable” from section 1117(g)(2), thus requiring the Secretary to calculate a separate actual crop revenue and ARC guarantee for irrigated and nonirrigated covered commodities. (Section 1117)

The Senate amendment amends section 1117(a) to: (1) reauthorize the ARC County and ARC Individual Programs for the 2019 through 2023 crop years; and (2) require ARC payments to be paid based on the physical location of the farm.

The Senate amendment also amends section 1117(c) to extend ARC coverage guarantee provisions through the 2023 crop year; to increase the transitional (plug) yield from 70 percent to 75 percent of the transitional yield; and to require the use of a trend adjusted yield factor to adjust the yields in determining the actual county yield and the benchmark county revenue for ARC county coverage, not to exceed the trend-adjusted yield factor used to increase yield history under the endorsement under the Federal Crop Insurance Act for that crop and county.

The Senate amendment requires the Secretary to publish the county payment rate for a covered commodity no later than thirty days after the end of each marketing year for each covered commodity.

The Senate amendment requires the Secretary to – (1) assign an actual yield for the covered commodity by giving priority to the use of actual county yields from a single



source that provides the greatest national coverage of county-level data; and (2) prorate the base acres and payments in the case of a farm that has a tract with base acres that crosses a county boundary.

The Senate amendment also requires the Secretary, on request of a county FSA State Committee, to consider a 1-time request to calculate a separate actual crop revenue and ARC guarantee for irrigated and nonirrigated covered commodities in a county if, during the 2014 through 2018 crop years – (1) an average of not less than 5 percent of the planted and considered planted acreage of a covered commodity in the county was irrigated; and (2) an average of not less than 5 percent of the planted and considered planted acreage of the covered commodity in the county was nonirrigated. It also authorizes the Secretary to use other sources of yield information, including the yield history of representative farms in the State, region, or crop reporting district, when considering or recalculating separate actual crop revenue and ARC guarantee. (Section 1104)

The Conference substitute adopts the Senate provisions with amendments to: (1) make payments based on the payment rate of the county where the base acre on the farm is physically located; (2) increase the transitional yield plug to 80 percent; (3) utilize the “effective reference price” to calculate the guarantee; (4) calculate a separate irrigated and nonirrigated yield in each county; and (5) prioritize RMA data in the calculation of the guarantee and actual yields. The substitute deletes a Senate provision regarding the case of a farm that has a tract with base acres that crosses a county boundary. (Section 1107)

In applying the yield plug, when actual yields drop below 80% of the transitional yield for the county, the Managers expect the FSA Administrator to consult with the Administrator of the Risk Management Agency (RMA) to ensure that the transitional yield utilized is current and reflective of recent yields within the county.

In the case of a farm that has a tract with base acres that crosses a county boundary, the Managers intend for FSA to prorate the base acres based on the quantity of cropland of the tract in each county and calculate any ARC-County payments to the farm on that basis.

For determining a separate irrigated and non-irrigated yield for a covered commodity within a county with limited data for a practice, the Managers intend for the Secretary to utilize other sources of yield information such as representative farms in adjacent counties or the crop reporting district to determine a county yield that is representative of the applicable practice.

The Managers intend for FSA to implement the trend yield adjustment such that it has a similar result as the Federal Crop Insurance endorsement to adjust either the guarantee or actual yield to account for the long-term increase in production that is not accounted for otherwise. The Managers expect this will include using more than just the five years of the guarantee to calculate a trend, which will also help avoid the potential anomalies from using limited data. The Managers also expect all trend yield adjustments to be positive or neutral.

*(12) Agriculture Risk Coverage-Publication of Coverage Guarantee, Yield, and Price*

The Senate amendment requires the publication of the county risk coverage guarantee, average historical county yield, and the national average market price for each covered commodity in each county, not later than 30 days after the end of the applicable



12-month marketing year; provides an exception to the reporting deadline in the case of a covered commodity, such as temperate japonica rice, for which the Secretary cannot determine the national average market price for the most recent 12-month marketing year for the national average market price due to insufficient reporting of timely pricing data by one or more nongovernmental entities, including a marketing cooperative for the covered commodity. (Section 1104(6))

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with a technical amendment to clarify the information that the Secretary shall publish. (Section 1107)

*(13) Administrative Units*

The Senate amendment adds a new subsection to section 1117 of the Agricultural Act of 2014 providing that, for purposes of ARC payments in the case of county coverage, a county may be divided into not greater than two administrative units. Eligible counties are those that are larger than 1,400 square miles, are in a State that is larger than 140,000 square miles, and contain more than 190,000 base acres. (Section 12611)

The House bill contains no comparable provisions.

The Conference substitute adopts the Senate provision with an amendment to delete the requirement the county be contained within a State that is larger than 140,000 square miles. The substitute adds a limit of 25 counties that may be divided into administrative units, and provides direction for the preference to the division of counties that have greater variation in climate, soils, and expected productivity between the proposed administrative units. (Section 1107)

*(14) Producer Agreements*

The House bill restates current law except that it omits subsection (d), consistent with the cessation of ARC individual coverage. (Section 1118)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(15) Repeal of Transition Assistance for Producers of Upland Cotton*

The Senate amendment repeals section 1119 of the Agricultural Act of 2014. (Section 1105)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 1108)

*(16) Availability of Nonrecourse Marketing Assistance Loans for Loan Commodities*

The House bill restates current law to make available nonrecourse marketing assistance loans for the 2019 through 2023 crops. (Section 1201)

The Senate amendment amends section 1201(b) (1) of the 2014 Act to extend current law for the availability of nonrecourse marketing assistance loans through 2023. (Section 1201(a))

The Conference substitute adopts the Senate provision. (Section 1108)

*(17) Loan Rates for Nonrecourse Marketing Assistance Loans*

The House bill provides that for the 2019 through 2023 crop years the loan rate for extra long staple cotton is increased to 95 cents per pound; the loan rate formula for upland cotton is prevented from declining by more than two percent in any one crop year; and that seed cotton shall be deemed to have a loan rate of 25 cents per pound for purposes of calculating the effective price under PLC and actual crop revenue under ARC. (Section 1202)

The Senate amendment amends section 1201(b)(1) of the 2014 Act to extend the availability of nonrecourse marketing assistance loans through 2023. (Section 1201(b))

The Conference substitute adopts the House provision with amendments to adjust the loan rates for wheat, corn, grain sorghum, barley, oats, long grain rice, medium grain rice, soybeans, dry peas, lentils, small chickpeas, large chickpeas, and raw cane sugar for the 2019 through 2023 crop years. (Sections 1202 and 1301(a))

*(18) Loan Deficiency Payments*

The House bill includes provisions that are the same as current law, effective for the 2019 through 2023 crop years. (Section 1205)

The Senate amendment extends through the 2023 crop year the provisions of section 1205(a)(2)(B) of the Agricultural Act of 2014 authorizing the Secretary to make loan deficiency payments for hay and silage derived from a loan commodity.

The Senate amendment also repeals the authority of the Secretary to make loan deficiency payments for nongraded wool in the form of unshorn pelts. (Section 1201(d)(1) & 1202)

The Conference substitute adopts the Senate provision with an amendment to delete the repeal of the authority of the Secretary to make loan deficiency payments for nongraded wool in the form of unshorn pelts. (Section 1201(c))

*(19) Special Marketing Loan Provisions for Upland Cotton; Economic Adjustment Assistance to Users of Upland Cotton*

The House bill is the same as current law applicable beginning with the 2019 crop year, except with regard to the changes to the Economic Adjustment Assistance to Users of Upland Cotton, for which the House bill increases the payment rate of economic adjustment assistance 3 cents to 3.15 cents per pound of cotton used, and renames the program as “Economic Adjustment Assistance for Textile Mills.” (Section 1207)

The Senate bill amends section 1207(c) of the 2014 Act to extend the Economic Adjustment Assistance to Users of Upland Cotton at the rate of 3 cents per pound through July 31, 2021. For subsequent years, the program is extended at the same payment rate, subject to funding available through annual appropriations. (Section 1203(b))

The Conference substitute adopts the House provision with an amendment to continue the payment rate of economic adjustment assistance at 3 cents per pound of cotton used, and to strike a redundant authority to provide economic adjustment assistance under section 1207(c) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8737). (Section 1202)

The Managers believe timely shipment and delivery of cotton to the end-user is essential to maintain the competitiveness of the U.S. cotton industry. The Managers urge the Secretary to work with representatives of the U.S. cotton industry to identify how best to update and modernize the current Cotton Storage Agreement for U.S. cotton warehouses. The Managers expect any updates to be based on consensus

recommendations of all segments of the industry. As necessary, the Secretary should make changes to the provider agreement between USDA and the electronic warehouse receipt provider to facilitate the implementation of those industry recommendations to improve the flow of cotton.

*(20) Special Competitive Provisions for Extra Long Staple Cotton*

The House bill is the same as current law, except the House bill maintains the value of assistance available to domestic users of extra long staple cotton by making a conforming change in new section 1208(b) to reflect the increase in the extra long staple cotton loan rate. (Section 1208)

The Senate amendment extends current law through July 31, 2024. (Section 1201(d)(3)).

The Conference substitute adopts the House provision to make a conforming change to reflect the increase in the extra long staple cotton loan rate, and extends the authority through July 31, 2024. (Section 1204)

*(21) Availability of Recourse Loans for High Moisture Feed Grains and Seed Cotton*

The House bill (1) extends current law with respect to high moisture feed grains and seed cotton for the 2019 through 2023 crops; and (2) requires the Secretary to make available recourse commodity loans at the loan rate for a marketing assistance loan for a loan commodity that is ineligible for 100 percent of the nonrecourse marketing loan rate in the county due to a determination that the commodity is contaminated yet still merchantable. (Section 1209)

The Senate amendment extends current law with respect to high moisture feed grains and seed cotton through the 2023 crops. (Section 1201(d)(4))

The Conference substitute adopts the House provision. (Section 1205)

*(22) Adjustment of Loans*

The House bill (1) continues the authorization for the Secretary to adjust loan rates for loan commodities in the same manner as current law; and (2) adds a requirement that the Secretary shall consider methods to enhance the support, loan, or assistance provided under this title in a manner that further minimizes the potential for forfeitures. (Section 1210)

The Senate amendment has no comparable provision.

The Conference substitute deletes the House provision.

*(23) Dairy Risk Management Production for Dairy Producers – Reports; Collection and Review of Data*

The House bill requires the Secretary to submit a report to the relevant congressional committees evaluating the accuracy of the data used by the Secretary to reevaluate the average cost of feed used by a dairy operation to produce a hundredweight of milk.

The House bill also requires the Secretary to submit a report to the relevant congressional committees detailing the costs incurred by the dairy operation in the use of corn silage as feed and the difference between the feed cost of corn silage and the feed cost of corn.

The House bill also requires the Secretary to revise monthly price survey reports to include prices for high-quality alfalfa hay in the top five milk producing States. (Section 1401(a) through (c))

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provisions. (Section 1401(a) through (c))

*(24) Margin Protection Program for Dairy Producers – Name of Program*

The House bill (1) renames the program as the Dairy Risk Management Program for Dairy Producers (DRMP), defined in section 1401(5) and referred to throughout as the “dairy risk management program” (2) makes conforming amendments throughout section 1401, and specifically in subsection (i). (Section 1401 generally & subsection (i))

The Senate amendment (1) renames the program as Dairy Risk Coverage (DRC), defined in section 1401(5) and referred to throughout as “dairy risk coverage;” and (2) makes amendments throughout current law section 1401 to conform to the renaming of the program to “Dairy Risk Coverage.” (Section 1401)

The Conference substitute adopts the House provision with an amendment to rename the program Dairy Margin Coverage (DMC). (Section 1401)

*(25) Margin Protection Program for Dairy Producers- Definition of Catastrophic Coverage*

The Senate amendment amends current law section 1401 to add a definition of “catastrophic coverage.” (Section 1401(b))

The House bill contains no comparable provision.

The Conference substitute deletes the Senate provision.

*(26) Establishment of Margin Protection Program for Dairy Producers*

The House bill amends section 1403 to require the Secretary to continue to administer a dairy risk program.

The House bill also provides that the amendments made by section 1401 shall take effect 60 days after the date of enactment. (Section 1401 (i) & (j))

The Senate amendment amends current law section 1403(a), to require the Secretary to administer DRC beginning with the 2019 calendar year.

The Senate amendment also provides that Subpart A of part 1430 of title 7, Code of Federal Regulations (as in effect on the date of enactment), shall remain in effect for DRC beginning with the 2019 calendar year, except to the extent that the regulations are inconsistent with any provision of this Act. (Section 1401(d))

The Conference substitute adopts the Senate provision with amendments that specify that MPP regulations that do not conflict with the new structure of DMC are to remain in place and do not need to be reissued. (Section 1401(k))

*(27) Margin Protection Program for Dairy Producers-Registration of Multiproducer Dairy Operations*

The House bill amends section 1404(b) to allow a multiproducer dairy operation to elect to exclude from registration under the DRMP one or more individual owners –

(1) who individually owns less than five percent of the operation; or (2) who is entitled to less than five percent of the income, revenue, profit, or one of other specified financial measures of the operation.

The House bill also would require a reduction in DRMP payments to such operations corresponding to the reduction in ownership excluded from registration. (Section 1401(d))

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment to ensure a multiproducer dairy will be treated as a single operation under the program, and to clarify that operations are not allowed to reduce their production history to impact eligibility for tier I or tier II premiums. (Section 1401(d))

The Managers intend for FSA to ensure a more efficient sign-up process for dairy operations with multiple owners. The Managers intend for operations to be allowed to sign-up for coverage without every owner participating, and that those participating operations be treated as a single operation consistent with existing law. After coverage elections are made, the total premiums due and payments made may be adjusted downward to reflect the proportion of ownership participating. Nothing in this section is intended to allow a participating dairy operation to reduce the production history for the dairy operation to impact eligibility for tier I or tier II premiums.

*(28) Margin Protection Program for Dairy Producers-Catastrophic Coverage*

The Senate amendment amends section 1404(b) to provide that a participating dairy operation may elect to receive catastrophic coverage instead of paying a premium under section 1407.

The Senate amendment also amends section 1404(c) to provide that, in addition to the \$100 administrative fee under section 1404(c)(1)(A), a participating dairy operation that elects to receive catastrophic coverage shall pay an additional administrative fee of \$100. (Section 1401(e))

The House bill contains no comparable provision.

The Conference substitute allows participating dairy operations to elect to receive a \$4 coverage level instead of paying a premium. (Section 1401(h))

*(29) Margin Protection Program for Dairy Producers-Relation to Livestock Gross Margin for Dairy Program*

The House bill amends section 1404(d) to allow a dairy operation to participate in both the DRMP and the Livestock Gross Margin (LGM) for dairy program. (Section 1401(e))

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with a modification permitting participating dairy operations to participate in both programs on the same production, and to allow producers who were locked out of the improved 2018 MPP due to LGM participation to retroactively participate in MPP for the months in 2018 in which they were excluded from participation. (Section 1401(e))

Given that Dairy Margin Coverage (DMC) is a new program option for dairy operations, the Managers note the importance of USDA-led outreach and education efforts to operations that are currently participating in the Margin Protection Program (MPP), those that have ceased participation, and those that have never participated

(including organic dairy farmers that may not be aware of their eligibility). In advance of 2019 program sign-up, the Managers expect FSA to conduct outreach to eligible operations through repeated contacts and multiple modes such as mailings, phone calls and local meetings, and to collaborate with state licensing boards, cooperatives, producer groups, institutions of higher education, and other stakeholders to thoroughly inform producers of their operations' new affordable options under DMC, MPP credit or refund values, and the new safety net options provided under DMC.

Specifically with regard to the credit or refund under section 1407(f) of the Agricultural Act of 2014 (7 USC 9057), the Managers recognize the potential complexity of tracing former owners of operations that have ceased operation, but expect operations that have continued operation unabated to be offered the option of a credit or refund in conjunction with the 2019 program sign-up. Additionally, this title removes restrictions between DMC and any Federal Crop Insurance product. Therefore the Managers expect FSA and the Risk Management Agency (RMA) to coordinate to ensure that each agency's employees, along with crop insurance companies, agents and customers, are aware of the change in rules and additional opportunities for complementary coverage.

*(30) Margin Protection Program for Dairy Producers – Production History of Participating Dairy Operations*

The House bill amends current law section 1405 (a)(2) to limit the application of the adjustments to the production history of participating dairy operations to “calendar years ending before January 1, 2019.”

The House bill also adds a new section 1405(d) to prevent DRMP payments to a participating dairy operation if the Secretary determines that the participating dairy operation has reorganized the operation solely for the purpose of qualifying as a new operation. (Section 1401(f))

The Senate amendment amends current law section 1405(a)(2) to limit the application of the adjustments to the production history of participating dairy operations to “during each of the 2014 through 2019 calendar years.” (Section 1401(f))

The Conference substitute adopts the House provision with an amendment to provide equitable treatment to newly-participating dairies. (Section 1401(f))

*(31) Margin Protection Program - Payments*

The House bill amends section 1406(a) of the Agricultural Act of 2014 to provide that, for purposes of receiving DRMP payments for a month, a participating dairy operation shall elect – (1) a coverage level threshold that is equal to \$4.00, \$4.50, \$5.00, \$5.50, \$6.00, \$6.50, \$7.00, \$7.50, or \$8.00 “(and in the case of production subject to Tier 1 premiums (under section 1407(b)), also \$8.50 or \$9.00)”; and (2) a percentage of coverage, in 5-percent increments, but not to exceed 90 percent of the production history of the participating dairy operation.

The House bill further amends section 1406 by adding a new subsection (d) requiring that, within 90 days after the date of enactment, each participating dairy operation shall elect a coverage level threshold under subsection (a)(1) and a coverage percentage under subsection (q) (2) to be used to determine DRMP payments. This election shall remain in effect for the participating dairy operation through December 31, 2023 (for the duration of the DRMP, as specified in section 1409). (Section 1401(h))



The Senate amendment amends section 1406(a) of the Agricultural Act of 2014 to provide that, for purposes of receiving margin protection payments for a month, a participating dairy operation shall annually elect – (1) a coverage level threshold that is equal to – (A) in the case of catastrophic coverage, \$5.00; (B) \$5.50, \$6.00, \$6.50, \$7.00, \$7.50, \$8.00, \$8.50, or \$9.00; and (2)(A) a percentage of coverage, in 5-percent increments, that does not exceed 90 percent of the production history of the participating dairy operation; or (2)(B) in the case of catastrophic coverage, a coverage level of 40 percent of the production history of the participating dairy operation. (Section 1401(g))

The Conference substitute adopts the House provision with an amendment to require the participating dairy operation to elect a coverage level threshold that is equal to \$4.00, \$4.50, \$5.00, \$5.50, \$6.00, \$6.50, \$7.00, \$7.50, \$8.00, \$8.50, \$9.00, or \$9.50 for their first five million pounds of participating production. The amendment allows an operation that elects coverage on its first five million pounds of \$8.00, \$8.50, or \$9.50 to make a second election of a coverage level threshold that is equal to \$4.00, \$4.50, \$5.00, \$5.50, \$6.00, \$6.50, \$7.00, \$7.50, or \$8.00 for production over five million pounds. The amendment also allows operations to cover between five percent and ninety-five percent of their production history. (Section 1401(g))

*(32) Margin Protection Program – Premium Rates*

The House bill amends section 1407(b)(2) to set the Tier 1 premium rates for the first 5 million pounds of milk marketings included in the production history of a participating dairy operation, for each coverage level ranging from \$5.50 to \$9.00 per hundredweight. (Section 1401(h))

The Senate amendment amends section 1407(b)(2) to set the Tier 1 premium rates for the first 5 million pounds of milk marketings included in the production history of a participating dairy operation, the premium per hundredweight for each coverage level ranging from \$5.50 to \$8.00 per hundredweight. (Section 1401(h))

The Conference substitute adopts the House provision with an amendment to modify premium rates from the \$4.00 to \$9.50-coverage options. The amendment also modifies premium rates for operations covering more than five million pounds. (Section 1401(h))

*(33) Margin Protection Program – Small and Medium Farmer Discount*

The Senate amendment adds a new subsection (f) to section 1407 to require that the Tier I and Tier II premium per hundredweight for each coverage level shall be reduced by – (1) 50 percent for a participating dairy operation with a production history that is less than 2 million pounds; and (2) 25 percent for a participating dairy operation with a production history that is less than 2 million pounds and not greater than 1 million pounds. (Section 1401(h)(6))

The House bill contains no comparable provision.

The Conference substitute provides that any operation that signs up in 2019 and commits to maintaining their coverage decisions, including coverage level and covered production, through 2023 will receive a 25% discount on their premiums each year. Any producer who makes this commitment will be unable to change that coverage decision at any time over the life of the bill. Operations electing not to commit to five-year decisions may continue to make annual coverage decisions but will be ineligible for this discount. (Section 1401(j))

*(34) Margin Protection Program- Repayment of Premiums*

The Senate amendment adds a new subsection (g) to section 1407 to require the Secretary to repay each dairy operation that participated in the MPP as in effect for each of calendar years 2014 through 2017, an amount equal to the difference between – (1) the premiums paid by the participating dairy operation for the calendar year; and (2) the total amount of margin protection payments made to the participating dairy operation for the calendar year. (Section 1401(h)(6))

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with amendments clarifying that eligible dairy operations must apply for the repayment and to establish the percentages for repayments as credit at 75 percent and direct cash repayment at 50 percent. (Section 1401(i))

The Managers expect, with regard to the credit or refund under section 1407(f) of the Agricultural Act of 2014 (7 USC 9057), for FSA to make the credit or refund available to the operation that paid the premiums for coverage during 2014 through 2017. In the event that the ownership and production history of an operation has been sold or transferred, the Managers expect the current operation to receive the credit or refund. In the case of an operation that participated in MPP during 2014, 2015, 2016, or 2017 and has since ceased operating or been dissolved, the Managers expect FSA to offer the owners of the operation a credit or refund based on their respective ownership share.

*(35) Margin Protection Program for Dairy Producers-Duration*

The House bill amends section 1409(k) to authorize the DRMP through December 31, 2023. (Section 1401(k))

The Senate Amendment amends section 1409 to authorize DRC through December 31, 2023. (Section 1401(j))

The Conference substitute provides an authorization for the DMC program through December 31, 2023. (Section 1401(l)). The Conference substitute also provides that the effective date of the amendments made by Section 1401 is January 1, 2019. (Section 1401(m))

While DMC is replacing MPP, the Managers expect FSA to continue utilizing any existing regulations that are not contradicted by the new provisions including the regulations related to intergenerational transfer and the regulation that provides the maximum coverage percentage at a \$4 margin, even if an operation selects a lower percentage under buy-up.

*(36) Dairy Product Donation Program*

The House bill repeals the current law Dairy Product Donation Program (Section 1431 of the 2014 Act). (Section 1406)

The Senate amendment amends current law section 1431 in its entirety to establish and administer a milk donation program to reimburse eligible dairy organizations' costs incurred for donating milk by accounting to the Federal Milk Marketing Order pool the difference in the Class I milk value and the lowest classified price for the applicable month (either Class III milk or Class IV milk).

The Senate amendment defines eligible dairy organization, eligible distributor, eligible milk, eligible partnership, and participating partnership for purposes of the

program. The amendment also establishes the purposes and administrative provisions governing the program, donation and distribution plans, and the reimbursement of qualified expenses. It prohibits the resale of products, and requires the conduct of audits to insure program integrity.

The amendment provides mandatory funding for the program in the amount of \$8 million for fiscal year 2019, and \$5 million each fiscal year thereafter. (Section 1413)

The Conference substitute adopts the Senate provision with an amendment to repeal the Dairy Product Donation Program in current law and establish a new fluid milk donation program that makes it easier for producers, processors, and co-operatives to donate fluid milk to food banks and other feeding organizations. The amendment provides mandatory funding for the program at \$9 million in 2019 and at \$5 million in each of the following years. (Section 1404)

*(37) Supplemental Agricultural Disaster Assistance*

The House bill amends the Livestock Indemnity Program (LIP) to cover death or sale loss as a result of diseases that are “caused or transmitted by a vector and that is not able to be controlled by vaccination or other acceptable management practices.

The House bill also eliminates the payment limitation of \$125,000 per crop year for Emergency Assistance for Livestock, Honey Bees, and Farm Raised-Fish (ELAP). The amendment applies the limitation to any person or “qualified pass through entity,” and excludes such a person or pass through entity from the Adjusted Gross Income (AGI) limitation if 75 percent or more of the person or entity’s average AGI comes from farming, ranching, or silviculture.

The House bill also requires that the amendments made by this section shall be effective for losses incurred on or after January 1, 2017. (Section 1501)

The Senate amendment adds an Indian Tribe or tribal organization (as those terms are defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304) as an eligible producer for purposes of supplemental agricultural assistance.

The Senate amendment also allows the Secretary to provide assistance for coverage under LIP for the death of unweaned livestock due to adverse weather, including those that have not been vaccinated; and requires the Secretary to seek input annually from the bison industry to ensure LIP rates are consistent with market value.

The Senate amendment also provides that funds made available for emergency assistance include for the purpose of reducing losses from inspections of cattle tick fever.

The Senate amendment also requires an increased cost reimbursement of 75 percent for beginning farmers, ranchers and veterans under the Tree Assistance Program (TAP). (Sections 1501 & 12610)

The Conference substitute adopts the House provisions with amendments to add Indian Tribes or tribal organizations as an eligible producer, provide assistance for coverage under LIP for the death of unweaned livestock due to adverse weather, make available ELAP funds for inspections of cattle tick fever, increase the cost share available under TAP to 75 percent for beginning farmers, ranchers, and veterans, and to exclude the changes related to “qualified pass thru entities”, AGI, and retroactive application. (Section 1501)

The Managers encourage the Secretary to seek input and data from the bison industry (including bison producer groups) annually relating to the market value of bison

to ensure that Livestock Indemnity Program (LIP) payments are consistent with the market value of bison.

The Managers intend for livestock death losses that occur due to a cause of loss that is not eligible for indemnification under LIP to still be eligible for compensation under Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish (ELAP).

The Managers note the ongoing struggle faced by beekeepers due to the persistence of Colony Collapse Disorder (CCD). In determining a normal mortality rate for honeybees for the purposes of calculating ELAP assistance for beekeepers, the Managers expect FSA to use mortality rates known to be normal prior to the emergence of CCD and other serious honeybee health declines.

*(38) Loss of Peach and Blueberry Crops due to Extreme Cold*

The Senate amendment requires the Secretary to provide compensation for expenses relating to losses of peach and blueberry crops that occurred during calendar year 2017 due to extreme cold, as determined by the Secretary. It provides \$18 million in mandatory funding from CCC. (Section 1502)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate provision.

*(39) Administration and Operation of Noninsured Crop Assistance Program – Eligible Crops*

The House bill amends section 196(a)(2) of the Federal Agriculture Improvement and Reform Act to define “eligible crops” for the purposes of non-insured assistance as commercial crops or other agricultural commodities which are produced for food or fiber (except livestock) for which catastrophic risk protection or certain other additional coverage is not available. (Section 11501)

The Senate amendment amends section 196(a)(1) of the Federal Agriculture Improvement and Reform Act of 1996 to direct the Secretary to coordinate between the agencies of the Department data collection, eligibility, and reduced paperwork for the Noninsured Crop Assistance Program (NAP).

The Senate amendment also amends section 196(a)(4) to clarify required reductions in benefits for eligible crops for any 4 years after native sod acreage has been tilled by producers in Iowa, Minnesota, Montana, Nebraska, North Dakota, and South Dakota. The Senate amendment allows a governor of another State to elect to have the provision apply to the State. It also requires a producer, as a condition of receiving noninsured crop assistance, to certify to the Secretary if the producer has tilled native sod for the production of an insurable crop. The Senate amendment directs the Secretary to submit an annual report to the House and Senate Agriculture Committees describing the tilled native sod acreage in each country and state.

The Senate amendment also amends section 196(b) to add a new paragraph (4) requiring the Secretary to establish a streamlined process for the submission of records and acreage reports for small-scale, direct-to-consumer, and divers urban production systems.

The amendment also amends section 196(i)(2) to establish separate payment limitations of \$125,000 for catastrophic coverage and \$300,000 for additional coverage. (Section 1601)

The Conference substitute adopts the Senate provisions with amendments to

define “eligible crops”, clarify that native sod acreage that has been tilled would be subject to a reduction in benefits not more than four cumulative years during the first ten years after initial tillage, and exclude the authority for a governor of a state to elect to have the requirements apply to a state not currently covered by native sod rules. (Section 1601)

The Managers observe that FSA implements the Noninsured Crop Disaster Assistance Program (NAP) in a manner that is appropriate for conventional row-crop agriculture with entire fields and farms planted to one, or a small number of crops, that are harvested in a single crop year. The Managers note that producers who grow a variety of crops, often on small acreage with multiple rotations each crop year, have a paperwork burden under existing NAP that can act as a barrier to obtaining adequate risk protection.

The Managers direct FSA to streamline reporting requirements through an equivalent process as described in the regulations for microloan operating loans under parts 761 and 764 of title 7, Code of Federal Regulations (as in effect on the date of enactment) and implement any other additional streamlining, as determined appropriate. The Managers also encourage FSA to coordinate with RMA to ensure that participation data are collected in a form useful to support the development and expansion of Federal Crop Insurance to new crops and counties.

*(40) Noninsured Crop Assistance Program – Service Fee*

The House bill amends section 196(k)(1) to increase the service fees for eligible crops to the lesser of – (a) \$350 per crop per county; or (B) \$1,050 per producer per county, but not to exceed a total of \$2,100 per producer (Section 11502)

The Senate amendment amends section 196(k)(1) to increase the service fees for eligible crops to the lesser of – (A) \$325 per crop per county; or (B) \$825 per producer per county, but not to exceed a total of \$1,950 per producer. (Section 1601(6))

The Conference substitute adopts the Senate provision. (Section 1601(6))

*(41) Noninsured Crop Assistance Program – Payment Equivalent to Additional Coverage*

The House bill amends section 196(1)(2)(b)(i) to add the producer’s share of the crop to the list of multipliers used to calculate the service fee or premium required to be paid by the producer in order to receive payments under noninsured assistance.

The House bill strikes obsolete current law section 196(1)(3) that addressed assistance for losses to certain 2012 annual fruit crops grown on a bush or tree related to losses due to a freeze or frost.

The House bill also amends section 196(1)(5) to extend the availability of additional coverage under subsection (1) through the 2023 crop year. (Section 11503)

The Senate amendment amends section 196(1)(1) to add “the producer’s share of the total acres devoted to the crop” to the list of multipliers used to calculate the NAP payment amount that is equivalent to an indemnity for additional coverage under section 508(c) of the Federal Crop Insurance Act.

The Senate amendment amends section 196(1)(1)(C) to clarify the “market price” used to calculate the NAP payment amount to also include the “contract price, or other premium price (such as a local, organic, or direct market price, as elected by the producer.)”



The Senate amendment strikes the same obsolete current law section 196(1)(3).

The Senate amendment also strikes section 196(1)(5), thus making additional coverage under subsection (1) available permanently. (Section 1601(7))

The Conference substitute adopts the Senate provision. (Section 1601(7))

The Managers recognize that the expiration of the authority to offer additional coverage (also referred to as NAP buy-up) creates both an administrative burden on the agency and can cause uncertainty or even limited coverage for producers of crops with fall or winter sign-up periods. The Managers intend to avoid these issues in the future and have made permanent the authority for NAP buy-up. The Managers also removed the 30-day limit before coverage can attach in order to provide more flexibility and allow FSA to restart NAP buy-up immediately following enactment.

*(42) Additional Assistance for Certain Producers – Losses Due to Volcanic Activity*

The Senate amendment requires the Secretary, as soon as practicable after October 1, 2018, under the section 196 related to NAP to make available assistance to producers of an eligible crop that suffered losses in a county covered by a qualifying natural disaster declaration for production losses due to volcanic activity. The Secretary shall make assistance available under in an amount equal to the amount of assistance determined under section 196(d), less any service fees that are owed by producers under section 196(k). (Section 1602)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate provision.

*(43) Administration Generally*

The House bill continues the expedited rulemaking and other provisions in current law, with amended section references updated to reflect the House Bill. (Section 1601)

The Senate amendment continues the expedited rulemaking and other provisions as current law, with amended section references updated to reflect the amendments made by title I (commodities) and section 10109 (multiple crop and pesticide use survey) of the Senate Amendment (Section 1701)

The Conference substitute adopts the Senate provision. (Section 1709)

*(44) Suspension of Permanent Price Support Authority*

The House bill continues the suspension of the same permanent price support authorities (and related wheat marketing quotas) through 2023, with an amendment.

The House bill amends section 201(a) of the Agricultural Act of 1949 to (1) add eleven additional commodities to the current list of eleven commodities for which the Secretary would be required to provide price support in the event that the 1949 Act were to become effective, including crambe, cottonseed, sesame seed, dry peas, lentils, small chickpeas, large chickpeas, graded wool, nongraded wool, mohair and peanuts; and (2) clarify that if price support were to be required under section 201, it would be provided at a level not less than 75 percent and not greater than 90 percent of the parity price of the commodity. (Section 1602)

The Senate amendment extends the suspension of permanent price support authorities through 2023. (Section 1702)

The Conference substitute adopts the Senate provision. (Section 1702)



*(45) Payment Limitations*

The House bill amends section 1001 of the Food Security Act of 1985 to limit to \$125,000 the total amount of payments a person or a legal entity can receive from PLC or ARC payments under Subtitle A – (1) for the sum of all covered commodities (except peanuts); and (2) separately, for peanuts.

The House bill amends the definition of family member to include first cousins, nieces, and nephews.

The House bill adds a new definition of “qualified pass through entity” to mean “a partnership (within the meaning of subchapter K of chapter 2 of the Internal Revenue Code of 1986 and including a limited liability company that does not affirmatively elect to be treated as a corporation), an S corporation (as defined in section 1361 of such Code), or a joint venture.”

The House bill amends sections 1001(b) and 1001(c) of the Food Security Act of 1985 to remove marketing loan gains and loan deficiency payments from the limitations on payments for peanuts under subsection (c) and all other covered commodities under subsection (b).

The House bill also amends section 1001(f) of the Food Security Act of 1985 to require the Secretary to apply reductions in PLC or ARC payments due to a sequester before applying payment limitations under section 1001.

The House bill also amends section 1001(e)(3)(B) of the Food Security Act of 1985 to attribute payments to all qualified pass through entities on the same basis as joint ventures and general partnerships under current law. (Section 1603)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provisions with amendments to delete the definition of ‘qualified pass through entity’ and related provisions that would have attributed payments to all qualified pass through entities on the same basis as joint ventures and general partnerships. (Section 1703)

*(46) Definition of Significant Contribution of Active Personal Management*

The Senate amendment amends section 1001 of the Food Security Act of 1985 to add a new definition for a “significant contribution of active personal management”. (Section 1704)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate provision.

*(47) Payments Limited to Active Farmers*

The Senate amendment amends section 1001A(b) of the Food Security Act of 1985 to require the Secretary to consider not more than 1 person or legal entity per farming operation to be actively engaged in farming using active personal management, and to establish detailed criteria for determining when a person may be considered to be actively engaged in farming using active personal management. (Section 1705)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate provision.

*(48) Adjusted Gross Income Limitation*

The House bill amends section 1001D(b)(2) of the Food Security Act of 1985 to exempt Marketing Loan Gains (MLG) and Loan Deficiency Payments (LDP) from Adjusted Gross Income (AGI) limitations.

The House bill also amends Section 1001D(b) of the Food Security Act of 1985 to – (1) provide an exception from the AGI limitation for a qualified pass through entity; and (2) authorize the Secretary to waive, on a case-by-case basis, the AGI limitation to protect environmentally sensitive land of special significance. (Section 1604)

The Senate amendment amends section 1001D(b)(1) of the Food Security Act of 1985 to reduce the AGI limitation from \$900,000 to \$700,000. (Section 1706)

The Conference substitute adopts the House provision with an amendment to delete the exception for marketing loan gains and loan deficiency payments and for a qualified pass through entity. The substitute also clarifies that the AGI limitation applies to conservation benefits under title II of the Agriculture Improvement Act of 2018. (Section 1704)

*(49) Prevention of Deceased Individual Receiving Payments Under Farm Commodity Programs*

The House bill would reenact the current law requirement. (Section 1605)

The Senate amendment contains no comparable provision—current law continues to apply.

The Conference substitute deletes the House provision.

*(50) Assignment of Payments*

The House bill would reenact and continue the assignment of payments provisions in the same manner as current law. (Section 1606)

The Senate amendment contains no comparable provision—current law continues to apply.

The Conference substitute deletes the House provision.

*(51) Tracking of Benefits*

The House bill would reenact and continue the tracking of benefits in the same manner as current law. (Section 1607)

The Senate amendment contains no comparable provision—current law continues to apply.

The Conference substitute deletes the House provision.

*(52) Signature Authority*

The House bill would reenact and continue the signature authority of a producer in the same manner as current law, with a conforming amendment. (Section 1608)

The Senate amendment contains no comparable provision – current law continues to apply.

The Conference substitute deletes the House provision.

*(53) Base Acres Review*

The Senate amendment requires the Secretary to review the establishment, calculation, reallocation, adjustment, and reduction of base acres under Subtitle A of Title

I of the Agricultural Act of 2014, and to report to the House and Senate Agriculture Committees on the results of the review. (Section 1707)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate provision.

*(54) Farm Service Agency Accountability*

The Senate amendment requires the Secretary to establish policies, procedures and plans to improve program accountability and integrity through activities including utilizing data mining to identify and reduce errors, waste, fraud, and abuse in Farm Service Agency programs and to report to the House and Senate Agriculture Committees. (Section 1708)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment to delete some of the prescriptive requirements for the report. (Section 1705)

The Managers intend the report to include a summary of the existing USDA efforts to eliminate errors, waste, fraud, and abuse, including existing and planned data sampling and mining activities of FSA, and efforts that involve coordination with other departments or agencies. The report should include identified weaknesses or program integrity issues, any plans for action and recommendations for legislative changes to address errors, waste, fraud, and abuse in FSA programs.

*(55) Personal Liability of Producers for Deficiencies*

The House bill reenacts and continues provisions regarding the personal liability of producers for deficiencies in the same manner as current law. (Section 1609)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(56) Technical Corrections*

The Senate amendment revises sections 1112(c)(2) and 1614(d) of the Agricultural Act of 2014 to make 2 technical corrections. (Section 1709(b))

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment to exclude the modification to section 1614(d). (Section 1102(a))

*(57) Implementation*

The House bill requires the Secretary to continue to maintain base acres and payment yields for each covered commodity in the same manner as current law.

The House bill also requires the Secretary to continue to streamline administrative burdens and costs under the Acreage Crop Reporting and Streamlining Initiative (ACRSI).

The House bill adds a new requirement that the Secretary shall ensure that no agent, Approved Insurance Provider (AIP), or employee or contractor of an agency or AIP, bears responsibility or liability under the ACRSI for the eligibility of a producer for programs administered by USDA that are not policies or plans of insurance offered under the Federal Crop Insurance Act except in cases of misrepresentation, fraud, or scheme and device.

The House bill allows producers an option to remotely and electronically sign annual contracts.

The House bill requires the Secretary to make \$25,000,000 available to the FSA to implement this title.

The House bill also amends section 1614(d) of the Agricultural Act of 2014 to extend the loan implementation provisions to the provisions of the Agriculture and Nutrition Act of 2018. (Section 1610)

The Senate amendment amends section of 1614(b) of the Agricultural Act of 2014 to update the requirements of ACSRI to make available more detailed USDA data across agencies and accessible via a single department-wide login.

The Senate amendment also amends section 1614 by adding a new requirement that any USDA commodity program payment obligations that have not been disbursed or liquidated, and remain outstanding five years after the date on which the payment was obligated or made available, shall be deobligated and revert to the U.S. Treasury. The Secretary may delay the date of deobligation in the event of an ongoing appeal or litigation, settlement of an estate, or where otherwise equitable. (Section 1703)

The Conference substitute adopts the House provision with amendments to allow crop insurance agents and AIPs access to records necessary for program delivery held by FSA, include NRCS in coordination and data sharing efforts, provide producers an opportunity to sign a multi-year contract, reduces the mandatory funding available to the FSA for implementation to \$15.5 million, and to consolidate required reports on the tillage of native sod. (Section 1706)

The Managers recognize significant progress has been made to implement the Acreage Crop Reporting Streamlining Initiative (ACRSI) to allow for sharing of producer information across common fields in FSA and RMA data collection. The Managers would note that the goal of one-stop reporting for producers at either RMA or FSA has yet to be realized, additionally widespread acceptance of geospatial data has not been achieved. The Managers expect the Undersecretary for Farm Production and Conservation (FPAC) to make acceptance of geospatial data a priority for the next phase of improvements to ACRSI, as well as begin the process of integrating data from the Natural Resource Conservation Service (NRCS) to allow for the seamless transfer of producers' information across the agencies within the FPAC mission area.

The Managers encourage FSA to add temporary refrigerated beehive storage facility to the list of eligible uses for the Farm Storage Facility Loan Program, in order to help beekeepers more effectively fight mites and CCD.

The Managers note that the reports on tillage of native sod and the cropland report were consolidated in section 1614(f) of the Agricultural Act of 2014, as added by section 1706(f) in Title 1 of this bill. The Managers expect FSA and RMA to coordinate on completing this report, and to provide data similar to that provided in the previous separate reports to allow a comparison over time in addition to any new information.

#### *(58) Exemption from Certain Reporting Requirements for Certain Producers*

The House bill exempts producers who participate in any conservation or commodity program, or who are eligible for indemnity or compensation payments, from the same reporting requirements as under section 1244(m), with respect to assistance received through NRCS, APHIS, or FSA.

The House bill strikes current law section 1244(m). (Sections 1611 and 2503(1))

The Senate amendment amends current law section 1244(m) to add producers participating in commodity programs through FSA to the exemption from the reporting requirements. (Section 2503(d))

The Conference substitute adopts the House provision with amendments to clarify the term “exempted producer” means an individual or entity that is eligible to participate in a conservation program under title II of the Agriculture Improvement Act of 2018 or a law amended by title II; an indemnity or disease control program under the Animal Health Protection Act (7 U.S.C. 8301 et seq.) or the Plant Protection Act (7 U.S.C. 7701 et seq.); or a commodity program under title I of the Agricultural Act of 2014 (7 U.S.C. 9011 et seq.), excluding the assistance provided to users of cotton under sections 1207(c) and 1208 of that Act (7 U.S.C. 9037(c), 9038). (Section 1707)

## Title II– Conservation

### *(1) Extension and enrollment requirements of conservation reserve program*

The House bill amends the Food Security Act of 1985 (the “’85 Act”) to cap Conservation Reserve Program (“CRP”) enrollment at 25 million acres for FY 2019, 26 million acres for FY 2020, 27 million acres for FY 2021, 28 million acres for FY 2022, and 29 million acres for FY 2023. It requires the Secretary of Agriculture (the “Secretary”) to enroll a minimum of 3 million acres of grassland by the end of FY 2023 and sets maintenance goals for each of those fiscal years. It requires the Secretary to reserve remaining acres for a fiscal year when the grassland 3 million acre or the applicable maintenance goal is not reached. The bill requires the Secretary to hold a signup for contracts not available on a continuous basis at least once every other year. It also directs the Secretary to enroll and maintain acreage in accordance with historical State enrollment rates. It maintains current law regarding the general contract duration, strikes the special rule for certain land (owner specified duration), and sets certain continuous contract duration at 15 or 30 years. The bill caps land to one reenrollment if it is devoted to hardwood tress. (Section 2201)

The Senate amendment strikes the previous farm bill reference and inserts the new 2018 short title. It also caps enrollment at 25 million acres for each of fiscal years 2019 through 2023. It reauthorizes the 2-million-acre limitation regarding grassland enrollment through FY 2023. It authorizes a new clean water initiative and the State Acres for Wildlife Enhancement Program. (Section 2101)

The Conference substitute adopts the House provision with an amendment. The overall acreage limit is increased to 27 million by FY 2023, including 8.6 million acres to be devoted to continuous practices, and 2 million for grasslands. Contract lengths will be between 10 and 15 years, after which the land is eligible for reenrollment, with some exceptions. A proportional, historic State acreage allocation was included for a portion of the acres available for enrollment. The Conference substitute adopts the House provision with amendments to continuous enrollment procedure and eligibility, including making certain water quality practices eligible. (Section 2201)

The Managers codify the Clean Lakes, Estuaries, and Rivers Initiative (“CLEAR”) in order to guarantee that it remains a priority in CRP. The Managers expect the Farm Service Agency (“FSA”) to target CLEAR practices in high priority watersheds where they will maximize environmental benefits. The Managers expect that at least 40 percent of continuous CRP acres will be devoted to CLEAR. The Managers expect USDA to take greater steps to report on the water quality benefits from these practices through the annual report.

The Managers recognize the benefits of native vegetation to improve water and air quality and enhance soil health. By encouraging the adoption of native vegetation seed blends, USDA programs are supporting habitat restoration for the northern bobwhite, lesser prairie-chicken, greater sage-grouse, other upland game birds, songbirds, monarch butterflies and pollinators. The Managers encourage the use of native vegetation where practicable.

### *(2) Farmable wetland program*

The House bill amends the ’85 Act to strike the buffer acreage authority for certain land that enhances a wildlife benefit in terms of upland to wetland ratios. It caps



overall program acreage at 500,000 acres. It also directs the Secretary to also consider the submission of bids in the method of determination when looking at these offers and amounts of rental payments. (Section 2202)

The Senate amendment extends the reauthorization through FY 2023. (Section 2102)

The Conference substitute adopts the Senate provision. (Section 2203)

*(3) Duties of owners and operators*

The House bill authorizes management to include the use of grazing for limited purpose of management. It authorizes thinning and other practices for certain purposes on land devoted to hardwood or other trees. It clarifies the conservation plan will set forth commercial use of enrolled lands. (Section 2203)

The Senate Amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 2205)

*(4) Duties of the Secretary*

The House bill authorizes the Secretary to make rental payments. It expands opportunities for haying, grazing, and other management tools. It limits haying to no more frequently than that once in every three years with certain parameters. The bill further allows for intermittent or seasonal vegetative buffer practices incidental to production activity on adjacent land, and for program acres to be eligible for grazing when livestock assistance program is engaged because of drought. The bill gives the Secretary discretion to waive planned mid-contract management requirements in response to a natural disaster or adverse weather it results in the same effect on the cover as planned management activity. (Section 2204)

The Senate amendment authorizes cost-share for fencing and other water distribution practices. It provides for managed harvesting, grazing, and other commercial use, consistent with the conservation of soil, water quality and wildlife habitat, management, in exchange for a reduction in the annual rental rate of 25 percent. It also provides certain disaster designation authority to States. (Section 2103)

The Conference substitute adopts the House provision with amendments. Conservation practices cost-share and soil rental rate payments are authorized, as well as haying and grazing, with conditions. Natural disasters may fulfill contractual land management requirements imposing conditions on haying and grazing, including restricting it to non-primary wildlife nesting season. (Section 2206)

The Managers provide greater flexibility for haying and grazing on acres enrolled in CRP, with appropriate protections to maintain the conservation and wildlife value. The Managers direct the Secretary to allow for these specified activities on both general and continuous acres, including on acres enrolled in practices like CP-25 rare and declining bird habitat.

Similar to current USDA practice, the Managers intend to provide flexibility to allow haying, grazing or other use of forage under section 1233(b)(1)(B) with appropriate safeguards under section 1233(b)(1)(A) or section 1233(b)(2) of the Food Security Act of 1985. The Managers also recognize that the impact of haying on some species of wildlife and habitat quality may be more significant than grazing (which can be adjusted through limits on the stocking rate) and therefore intend the FSA to have discretion to set more stringent limitations on haying and under what circumstances haying is allowed.

Specifically as part of the authority for the Secretary to allow emergency haying, grazing or other emergency use of forage outside the primary nesting season (section 1233(b)(1)(B)(i)(I)(aa)), the Managers intend for FSA to maintain the current procedures where the respective county committees have the ability to request such authorization from the respective state FSA committee when any part of the county is designated as a level "D2 Drought - Severe" or worse according to the U.S. Drought Monitor.

*(5) Payments*

The House bill directs the Secretary to pay not more than 40 percent cost-share and limits cost share for seed of cover. It caps incentive payments for installing practices and prohibits a cost share payment for mid-contract management. It authorizes forest management payments, and limits payments to not more than 100 percent of the total cost. It directs the Secretary to consider the impact on local farmland rental markets when determining annual rental payments. It directs the Secretary to limit rental payments for initial enrollment to not more than 80 percent of the estimated average county rental rate. It also directs the Secretary to limit payments for subsequent re-enrollments. It increases the frequency of the rental rate estimate survey from every other year to be published by September 15 each year. The bill directs the Secretary to use estimates derived from the survey to determine these rental rates. It limits CREP rental payments to States to no more than 50 percent of the cost of activities. (Section 2205)

The Senate amendment authorizes incentive payments for continuous enrollment contracts under certain circumstances based upon prices for major covered commodities. It directs the Secretary to prioritize the enrollment of marginal and environmentally sensitive land when considering offers. The amendment adds a rental rate limitation of 88.5 percent. It strikes paragraph (2) of subsection (g) and replaces it with an exemption for payments received by rural water districts or association for lands enrolled for the purpose of protecting a wellhead and conforms subsection (g) to the new paragraph (2). (Section 2104)

The Conference substitute adopts the House provision with amendments that limit practice cost-share payments to actual cost of practice installation, and 50 percent for the cost of seed. Soil rental rates for general and continuous enrollment are limited to 85 percent and 90 percent of the county average, respectively, with secretarial requirement to account for potential impact on local farmland rental market. Incentive payments for continuous practices and forest management are also authorized. It amends the rental rate calculation methods for reenrolled land, to allow for state and Conservation Reserve Enhancement Program ("CREP") partner input, and to maintain incentives for specific practices or areas like wellhead protection zones. (Section 2207)

The Managers recognize that rental rates vary significantly across the different production regions of the country. The Managers direct USDA to use average rental rates that are more reflective of local rental rates, including offering the opportunity for State FSA and CREP partners to recommend alternative rates with supporting information. The impact of reducing the rental rates in CRP may be greater on dryland production areas where soil conservation is a significant resource concern. The Managers encourage USDA to work with producers to address soil conservation concerns in semi-arid production regions.

The Managers increased CRP's annual enrollment acreage cap and reduced the

soil rental rate limits in hopes that CRP will more accurately serve one of its fundamental purposes: retiring the most sensitive lands without competing with local farmland rental markets (which may preclude some farmers from having access to prime farmland). By incorporating changes in the program that are more market-based, the Managers are hopeful that highly productive land will not be taken out of production while remaining affordable for those who wish to utilize it for production agriculture.

Furthermore, the Managers are concerned that the complexity and expenses associated with seed mixes under CRP have led to frustration on the part of landowners, a waste of taxpayer dollars, and in some cases inferior cover on the ground if the mix fails to take root. The Managers hope that USDA will consider the hardiness and suitability of seed mixtures when recommending multiple species blends, and consider seed mixtures that contain fewer, hardier species and provide adequate cover for wildlife and pollinators on sites where cover is difficult to establish or maintain.

The Managers maintained continuous enrollment and incentives for continuous practices, including signing incentives, incentives to provide additional cost-share, and those related to specific practices, such as buffers, and wellhead areas, for certain high conservation value practices. These continuous practices are typically smaller, more targeted, and implemented only on parts of fields or farms with higher practice establishment costs, which often require higher payment rates.

*(6) Conservation reserve enhancement program*

The Senate amendment authorizes CREP in the '85 Act, which applies to not less than 20 percent of continuous acres. The Secretary is required to provide cost share payments as components are completed. The Secretary is also required to make incentive payments for a program that includes riparian buffers, but not to exceed 100 percent of the management cost. (Section 2105)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with amendments limiting eligible partners and requiring a 30 percent minimum contribution from nongovernmental organizations. CREP is expressly authorized, including drought and water conservation agreements to address regional drought concerns. (Section 2202)

The Managers encourage USDA to continue the enrollment of acres in CREP in all regions of the country. The Managers incentivize more enrollment of riparian buffers, including forested riparian buffers, in CREP by authorizing the Secretary to make-cost share payments for forested riparian buffer maintenance throughout the length of the agreement and to cover up to 100 percent of the cost incurred by the owner or operator.

The Managers build upon past provisions that increase flexibility for harvesting and grazing within CRP by authorizing harvesting of products from food-producing woody plants on forested riparian buffers, provided that conservation benefits are maintained and only native plants are planted within 35 feet of the watercourse. The Managers expect USDA to make cost-share payments for installing stream fencing, crossings, and alternative water development on marginal pastureland to reflect the fair market value of the cost of installation.

*(7) Contracts*

The House bill amends the authority to allow a 1-time early termination in fiscal year 2019. It authorizes a transition option to beginning farmers and ranchers to prepare

land for crop use, to provide extended time certification under OFPA, and directs the Secretary to provide technical and financial assistance to carry out plan requirements. (Section 2206)

The Senate amendment strikes early termination authority. It authorizes a transition option from contract holders beginning 2 years before termination of the contract, includes short-term leases in the transition authority, provides for certain new priorities and provides for reenrollment for grasslands. It provides an authority for owner or operator election relating to easements. (Section 2106)

The Conference substitute adopts the House provision, with an amendment to maintain the current law transition option into the Conservation Stewardship Program (“CSP”). It reauthorizes a transition option for land that will be prepared for organic production or enrolled in CSP or the Environmental Quality Incentives Program (“EQIP”). Land under contract may simultaneously be enrolled in the Agricultural Conservation Easement Program (“ACEP”). (Section 2204)

*(8) Conservation reserve easements*

The Senate Amendment defines terms, makes requirements for the agreement between the owner and the Secretary, sets out the terms and conditions of the easement, addresses violations of the easement, and authorizes compatible economic uses in certain circumstances. (Section 2107)

The House bill contains no comparable provision.

The Conference substitute accepts the Senate provision with amendment to change the easement authority to a pilot program for 30 year contracts for Clean Lakes Estuaries and Rivers (CLEAR) practices and to include a Soil Health and Income Protection Pilot Program. (Section 2204)

The Managers require FSA to carry out a pilot to incentivize the use of 30-year contracts for the water quality practices authorized through the CLEAR initiative. The Managers would like producers to be given the opportunity to enroll in and capitalize on the benefits of longer-term contracts beyond the traditional 10-year contract, while simultaneously maximizing environmental benefits associated with the CRP. The Managers intend for this pilot to serve as a tool for measuring demand for longer-term CRP contracts and to provide insights into the conservation benefits associated with long-term contracts.

*(9) Eligible land; State law requirements*

The Senate amendment directs the Secretary, in consultation with the State technical committee, to make certain land eligible for enrollment through regulation. (Section 2108)

The House bill contains no comparable provision.

The Conference substitute accepts the Senate amendment with an amendment to limit the provision to partnerships established before 2014. (Section 2209)

*(10) Definitions*

The Senate amendment amends the definitions used in Subchapter B, the Conservation Stewardship Program, by adding more “conservation activities” and

amends the definition of “stewardship threshold” to direct the Secretary to use certain criteria, tools or models, data and other methods. (Section 2201)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with technical changes. (Section 2308)

*(11) Establishment*

The Senate amendment extends the authority through FY 2023 and amends the conversion provision to precede enactment of the 2018 farm bill. (Section 2202)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with technical changes. (Section 2308)

*(12) Stewardship contracts*

The Senate amendment requires environmental benefits be part of the measurement concept for types of performance. It authorizes contract renewals and requires for renewals a higher level of performance with respect to 2 existing priority resource concerns in the initial contract. (Section 2203)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with technical changes. (Section 2308)

The Managers direct the NRCS to ensure that existing and future CSP participants are given the opportunity to renew expiring contracts before their original 5-year contract is set to expire. Given that expiring contracts will no longer be eligible for automatic renewals and instead must compete within the same pool as applicants applying for a new contract, the Managers direct NRCS to ensure that the renewal process begins at the beginning of the fifth year of the original contract so that contracts are re-enrolled before they expire. The Managers expect USDA to rank the renewal offers according to the same two primary ranking criteria used for new contracts, in addition to including the results from previous contracts.

*(13) Duties of Secretary*

The Senate amendment changes the annual program enrollment to 8.797 million acres each fiscal year. It directs the Secretary to manage the program to achieve a national average payment rate. It authorizes payments for cover crop activities and advanced grazing management. It authorizes a 1-time payment to a producer for comprehensive conservation plan. The amendment authorizes the Secretary to allocate State funding for organic and transition to organic production. It requires the Secretary, to the maximum extent feasible, to manage the program to enhance soil health. (Section 2204)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with an amendment to strike the annual acreage allocation and the national average payment rate. (Section 2308)

The Managers removed the acre-based funding method and the \$18 per acre national average payment rate for CSP. The Managers intend this change to give NRCS greater flexibility in administering the program to maximize the Federal investment to

achieve higher conservation benefits. This change should allow NRCS to further the locally-led mission of addressing local concerns by allowing greater investment in local priorities. The Managers intend for NRCS to limit contract offers that have an exceptionally high per-acre or per-unit cost or that score lower for addressing applicable priority resource concerns.

The Managers support USDA recognizing the use of innovative technology such as enhanced efficiency fertilizers. Enhanced efficiency fertilizers, which reduce nitrate losses to the environment, help protect water quality, and reduce greenhouse gas emissions, include slow- and controlled-release fertilizers (absorbed, coated, occluded or reacted) and stabilized nitrogen fertilizers (nitrification inhibitors and nitrogen stabilizers). These tools are recognized in USDA's conservation standards and specifications for nutrient management and related practices and by State regulators of fertilizers.

The Managers intend for USDA to provide program resources for the development of a comprehensive conservation plan. The Managers intend that payments for these plans can be prorated over the life of the 5 year contract or paid in full the year it is completed. The Managers intend for the plan to be implemented in a subsequent CSP contract or through a different conservation program, like EQIP.

When determining State funding allocations under CSP for organics, the Managers intend for USDA to take into account the number of certified organic and transitioning to organic operations and the number of acres in certified organic and transitioning to organic production in a State. Both criteria are important to ensure that States with smaller organic operations can compete fairly for funding with States with larger organic operations.

The Managers intend for USDA to encourage States to give higher consideration to contracts that include conservation activities to improve soil health, where this consideration is appropriate and in line with local conservation priorities. This can take the form of higher-ranking points or other similar prioritization of soil health in producer applications.

The Managers direct NRCS to report on the payment rates for conservation activities offered under CSP in each fiscal year and analyze whether payment rates can be reduced for the most expensive conservation activities. The Managers encourage NRCS to evaluate payment rates to determine the most impactful utilization of limited program dollars.

#### *(14) Purposes*

The Senate amendment adds adaption and mitigation regarding weather volatility to the practices that sustain food and fiber production in program purposes. It also authorizes new program purpose authority regarding producer assistance to address new or expected resource concerns, including crops and drought resistant measures. (Section 2301)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with a modification regarding the program's purpose of assisting producers. (Section 2302)

The Managers added the modifiers "identified or expected" to resource concerns to help ensure that animal agriculture producers who do not yet have livestock in their facility, but have a contract for the animals to be delivered within a reasonable timeframe,



may apply for and be eligible for EQIP.

*(15) Definitions*

The House bill adds the following new inclusions to the term “practice”: conservation activities, precision conservation, management planning, and the use of cover crops and resource conserving crop rotations. It defines the term “priority resource concern” and the term “stewardship practice”. (Section 2301)

The Senate amendment defines the term “conservation planning survey”. It adds an inclusion to the definition of “eligible land”. It amends the concept of other agricultural land in the definition of the term “eligible land” to include “identified or expected” resource concerns. The amendment adds 2 new inclusions to the term “practice” improvements. It adds new inclusions to the term “practice” conservation activities. It adds a definition of the term “producer”. (Section 2302)

The Conference substitute adopts the Senate amendment with modifications, defining the terms conservation planning assessment, incentive practice, priority resource concern, soil remediation and soil testing and amending the definition of eligible land. (Section 2303)

The Managers expand eligible land inclusions for EQIP to environmentally sensitive areas. The Managers intend for these areas to be limited to associated agricultural land with natural resource concerns, such as road-stream crossings that a producer would use to access a field. These areas may include land that producers use as part of their normal agricultural operation, but is not limited to land in active agricultural production where the natural resource concern exists. Many of these areas are considered eligible by NRCS today, but by including it in statute the Managers intend for this to be implemented uniformly in all States.

The Managers recognize that by providing assistance to producers to improve soil health on eligible land it may be necessary to provide targeted assistance to test not only the biological and physiological health of the soil, but also to test for contaminants, including heavy metals, volatile organic compounds, and polycyclic aromatic hydrocarbons. Not only should the Secretary provide funding to cover the cost for this category of targeted soil testing covered under section 1240A, but funding should also be provided for conducting scientifically based soil remediation practices to be carried out by the producer. The Managers do not intend for the Secretary to provide assistance that would be covered under services provided through the Brownfields Program at the Environmental Protection Agency (EPA), but do intend that the Secretary provide an assessment of soil testing, as well as recommendations and technical assistance (as covered under section 1242), to improve overall quality and health of soil by removing potential contaminants. In the event that the expertise for making this assistance is not available at a local or regional level, the Secretary may draw upon outside expertise and/or provide training to agency staff so that they may provide assistance and customer service to producers.

The Managers direct the Secretary to conduct education and outreach to producers regarding the uses of soil and methods of addressing soil contamination and soil health degradation. This outreach may include the sharing of current information regarding soil testing protocols made available by the EPA Administrator. Furthermore, on the request of a producer, where soil is found to pose an imminent hazard to human or animal health, the Secretary may refer the producer to the EPA for additional assistance for remediation

under section 104(k) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604(k)).

*(16) Establishment and administration*

The House bill authorizes a wildlife carveout at 5 percent for each of FYs 2019 through 2023. It amends the availability of payments for water conservation or irrigation efficiency practice and the list types of practices available for water conservation and irrigation efficiency. It makes amendments to priorities for payments for water reduction and cost-shared practices. It authorizes a new authority for stewardship contracts. (Section 2302)

The Senate amendment authorizes additional term authority for wildlife practices. It makes amendments to the advance payment authority. The amendment authorizes review and guidance for cost share rates, conservation practice standards. The amendment authorizes an increase payment for high-priority practices. It decreases the livestock carveout from 60 percent to 50 percent, including for grazing management practices, and increases the wildlife carveout from 5 percent to 10 percent. The amendment allows the Secretary to provide water conservation and system efficiency payments. It amends organic production payment limits to \$160,000 during FY 2019 through FY 2023. It authorizes a micro-EQIP pilot program. (Section 2303)

The Conference substitute adopts the Senate amendment with several modifications. The amendment moves section 2303(2) of the Senate amendment, to section 2304(d) of this bill. It modifies the Senate provision on advanced payments for beginning farmers by striking the opt out concept, amending it to be an assurance of notification to producers. It also moves the cost-share provision and practice standards provisions to section 1241 of the '85 Act. It also moves high-priority practices to section 2304 of the substitute. The amendment includes the Senate provision on irrigation, livestock carve-out and wildlife carve-out, and the House authority on stewardship contracts with a technical amendment, but modifies the payment limit provision, and does not include the Micro-EQIP pilot program. (Section 2304)

The Managers believe that conservation practices adopted solely for the benefit of wildlife should be fostered with contracts of maximum length allowed by law. Wildlife practices often diminish agronomic value on working agricultural lands because they have real implementation costs and increase operational risks by reducing yield. These practices are therefore highly unlikely to be sustained by farmers without longer-term, incentives-based partnerships with NRCS. In taking this action to encourage longer-term contracts, the Managers intend that contracts for the benefit of wildlife should not be limited by previous agency interpretation limiting the length or term of these contracts to three years or any other term less than 10 years.

The Managers authorize the Secretary to enter into expedited contracting arrangements to deliver EQIP surface and groundwater cost-share assistance for both on and off farm conservation measures. The Managers provide that the expedited cost-share assistance authorized by this drought authority is specifically limited by project type, and shall only be made available by the Secretary for a watershed-wide project that will effectively conserve water, provide fish or wildlife habitat, or provide for drought-related environmental mitigation. The Managers further direct the Secretary to prioritize assistance provided under this authority to producers participating in efforts to stabilize water resources of state or regional significance, and to prioritize cost-share practices

which improve agricultural drought resiliency and productivity. In order to ensure that EQIP cost-share assistance made available under this provision does not disadvantage other regions and conservation concerns, the Managers specifically state that the Secretary is not authorized to modify the process for determining the annual allocation of EQIP funding to States. Rather these efforts should be addressed within each State's locally led priorities with input from State Technical Committees. Furthermore, the Managers intend that the AGI waiver authority made available under this provision apply only to the eligible entity, not to individual producers.

The Managers recognize the broad and significant role of EQIP in promoting environmental stewardship. In addressing water quality as a resource concern, the Committee believes that conservation programs should prioritize funding for producers implementing fertilizer management practices that incorporate the use of the right fertilizer source, the right rate (amount of fertilizer), the right placement of fertilizer (including precision application) and the right timing of fertilizer applications (making the nutrients available when the crop needs them). These practices are recognized by the USDA–NRCS Nutrient Management Standard (590) and have been proven to help producers optimize production potential and protect the environment.

The Managers intend that conservation programs should recognize the use of innovative technology, such as enhanced efficiency fertilizers (including slow and controlled-release fertilizers, stabilized nitrogen fertilizers). This innovative technology can help producers to protect water quality and reduce greenhouse emissions. In the case of EQIP applications involving manure-to-energy projects, the Managers encourage the Secretary to consider whether the projects include an integrative approach to addressing nutrient management and water quality issues.

The Managers make changes to the advance payment option under EQIP by requiring notification of an advance payment option to beginning, limited resource, and socially disadvantaged producers. The Managers recognize that the historic low utilization rate by these groups is likely due to challenges with implementation and outreach, rather than lack of interest. Advance payments should be timed so that the 90 day period to expend all funds commences at the time practice installation begins. The Managers encourage USDA to explore options to provide assistance to small-scale and limited resource agricultural producers to access EQIP to address natural resource concerns.

The Managers believe that states should increase EQIP incentives for those practices which are especially effective at addressing local or regionalized priority resource concerns. The Managers intend for the increased incentives to promote further adoption of these highly beneficial practices by producers in high priority watersheds. The Managers intend that increased payments to producers under this provision shall not exceed 90 percent of costs, even in the case of producers who would otherwise qualify for increased payments.

The Managers direct the Secretary to ensure conservation practice standards reflect the use of integrated irrigation and nutrient management technologies, such as micro-irrigation systems (e.g., drip irrigation). Such technology, in addition to providing increased water efficiency, can be used to distribute fertilizers and other nutrients directly to plant roots, improve soil health, both water quantity and quality, and reduce nutrient runoff. In the case of EQIP applications involving irrigation projects, the Managers encourage the Secretary to consider whether the projects include an integrative approach

to addressing nutrient management and water efficiency issues.

The Managers intend for the new incentive contracts to be available to producers for not less than five years, but no more than 10 years to receive annual and cost-share payments for adoption, installation, required management and maintenance of incentive practices that attain increased natural resource levels of conservation on the applicable portion of the farm, ranch or forest as determined by the producer. The Managers anticipate incentive practices with broad resource benefits (including, but not limited to, cover crops, transition to resource conserving crop rotations, and incorporation of precision agriculture technologies into agriculture operations) will be available to producers within the program. Similarly, a broad suite of incentive practices relating to grazing lands and forest lands will be available to incentivize increased levels of conservation around locally-established resource priorities.

*(17) Evaluation of application*

The Senate amendment authorizes application priority for the consideration of the most effective practices to address natural resource concerns. (Section 2304)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with a modification, moving the priority to section 2503 of the substitute, as an implementation provision. (Section 2503)

*(18) Duties of the Secretary*

The Senate amendment authorizes the Secretary, to the maximum extent feasible, to streamline and coordinate between the EQIP plan and CSP and manage the program for soil health. (Section 2305)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment in section 2304 of the Conference substitute. (Section 2308)

*(19) Environmental quality incentives program plan*

The Senate amendment amends the requirement for a CAFO plan of operation to include “progressive” implementation. (Section 2306)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 2305)

The Managers intend for the Comprehensive Nutrient Management Plan (“CNMP”) to remain a comprehensive and whole farm plan. However, during a particular EQIP contract period, it is not necessary for an existing facility with a CNMP to achieve every aspect of the CNMP all at once if doing so would be practically or economically infeasible. In such instances, progressive implementation should include an appropriate and realistic timeframe for the remaining implementation factors after the end of the contract period, including, if warranted, with additional EQIP assistance.

*(20) Conservation innovation grants and payments*

The House bill caps conservation innovation grants at not more than \$25 million for each of FYs 2019 through 2023 and increases air quality funding at \$37.5 million for each of FYs 2019 through 2023. The amendment also includes new on farm conservation innovation trials. (Section 2304)

The Senate amendment authorizes new program uses. It reauthorizes the funding provision through fiscal year 2023. (Section 2308).

The Conference substitute adopts the House provision with amendment. The modifications include a provision specific to community colleges and an authorization of partnerships with farmers for certain innovative conservation practices, as well as edge-of-field, emerging agricultural practices, and other monitoring practices. The substitute does not include the House cap on conservation innovation grant funds. The amendment includes a soil health demonstration trial within the authority for On-Farm Conservation Innovation Trials. (Section 2307)

The Managers intend for the conservation innovation grants to promote innovative conservation approaches that increase green space, pollinator habitat, stormwater management, carbon sequestration, and access to agricultural production sites through land tenure agreements and other contracts.

The Managers believe that conservation innovation and technological advancement should be farmer-centric and support experimentation by farmers. It should harness leading-edge technology and data science while also leveraging private expertise and capital. Producers are also reluctant to introduce new conservation practices across the entire farming operation without first testing how they work in practice. Current law has focused on innovation of practices but not enough on testing and adoption at field scale in partnership with farmers. An important component of innovation trials is involving the private sector and the Managers intend commercial entities to work together with NRCS to test and prove new conservation practices.

The Managers intend that innovation trials take place on a variety of operations that reflect the diversity of producers and natural resource concerns present across the United States, and that payments be made to producers across a range of operation sizes. Included in the innovation trials is a Soil Health Demonstration Trial, which USDA should implement by drawing upon the expertise and resources of outside partners (including commodity groups and producers) to mirror and build upon existing soil health projects.

Furthermore, the Managers intend that the conservation practice database be a publicly available and continuously updated resource that informs the public on USDA conservation practice standards and contributes to the conservation efforts of partners and producers in the agricultural community.

The Managers intend for the Secretary to ensure all producers in the innovation trials meet EQIP eligibility requirements before participation in the program. The explicit statutory language requiring the Secretary to enforce adjusted gross income requirements for producers shall not preclude or impact enforcement of these requirements in other conservation programs.

*(21) Soil health demonstration pilot project*

The Senate amendment authorizes a soil health demonstration pilot project that includes financial incentives for producers in appropriate geographic regions, including at least 1 drought prone region, and establishes protocols for measuring gains in soil health. The amendment also authorizes a study on soil health and economic outcomes, report to Congress and provides \$15 million annually through fiscal year 2023 to carry out the pilot. (Section 2309)

The House bill contains no comparable provision.



The Conference substitute adopts the Senate amendment with modifications within the authority for On-Farm Conservation Innovation Trials. (Section 2307)

*(22) Wetland conservation*

The House bill requires the Secretary to identify regulatory categorical exemptions within 180 days of enactment of the 2018 farm bill as it relates to the minimal effects exemption. It further provides \$10 million in mandatory funds for wetlands mitigation banking beginning in FY 2019, which funds shall remain available until expended. It also authorizes appropriations of \$5 million for each of FYs 2019 through 2023. (Sections 2101 and 2102)

The Senate amendment requires that the requisite on-site inspection occur in the presence of the affected person, as long as they are available for such inspection. It clarifies that no person shall become ineligible if the Secretary determines an exemption under section 1222(b) of the '85 Act applies to that person. It directs the Secretary, within 1 year, to identify categorical minimal effect exemptions in compliance with certain laws and regulations and in consultation with particular groups. The amendment eliminates mandatory funding for mitigation banking and instead authorizes \$5 million in appropriations for each of fiscal years 2019 through 2023. (Sections 2401, 2412, and 2413)

The Conference substitute adopts the Senate amendment to section 1221(d) of the '85 Act with a modification to the authority for on-site visits without the affected person present. The substitute also deletes the House and Senate provisions on minimal effects under 1222(d). (Sections 2101 and 2102)

*(23) Conservation security program*

The House bill repeals the conservation security program and conservation stewardship program authorities. It clarifies that the amendment does not have an impact on existing contracts. It also prohibits the Secretary from renewing existing contracts. (Section 2801)

The Senate amendment repeals subchapter A of chapter 2 of subtitle D of the '85 Act. (Section 2402)

The Conference substitute repeals both conservation programs and establishes the subchapter B of chapter 2 authority in subchapter B of chapter 4 of the '85 Act. It also provides transition authority, monetizes the acreage cap, and establishes the Grasslands Incentive Program. (Sections 2301 and 2308)

With the combination of CSP and EQIP under Chapter 4, the Managers intend for the Secretary to implement the programs in coordination with each other while also maintaining each subchapter as a separate and distinguishable program with a distinct purpose. The Managers intend for USDA to continue to seek applications and enroll producers in both EQIP and CSP each year, and to promote both programs equally among producers.

This reorganization of programs provides an opportunity to streamline procedures for both programs so that they complement each other and provide a better customer service experience for producers, while maximizing the conservation potential of this chapter. Streamlining efforts for these programs should include applications, contracting, conservation planning, conservation practices, and related administrative procedures. The Managers encourage USDA to provide outreach and technical assistance to



producers to assist them in resolving priority resource concerns through adaptive management and continual improvement through both programs.

The Managers intend for CSP and EQIP under Chapter 4 to provide flexibility at the local level to address issues for all production systems, especially those in semi-arid areas where there is a need for practices to increase water savings and climate resiliency. For example, wheat growers need to be able to access the program through conservation practices that are specific to local production needs and that includes areas with lower rainfall. The Managers believe USDA should provide appropriate conservation practice and enhancement options for producers that focus on drought mitigation and dryland agriculture. The Managers also believe USDA should also provide assistance at varying levels of conservation performance, to enable all producers to access conservation assistance.

The Conference substitute establishes a new Grassland Conservation Initiative within Subchapter B of the Conservation Stewardship Program. The Managers require USDA to establish this initiative beginning in fiscal year 2019 and intend the first opportunity to enroll be provided in fiscal year 2019 to eligible land on a voluntary basis. The Managers expect that additional enrollments also be offered in each subsequent fiscal year at a time determined appropriate by the Department. Regardless of the fiscal year, eligible land, as defined, shall be enrolled only once in the program. The Managers expect FSA and NRCS to work concurrently to identify and provide program information to producers who have eligible acres to enroll in the program. The Grassland Conservation Initiative establishes a statutory \$18 per acre payment rate and payments shall be made on an annual basis. The Managers do not intend for the Grassland Conservation Initiative to be administered in the same exact manner as CSP and have established separate program requirements. The Managers do not intend to require that the eligible land enrolled has to be in grass at the time of enrollment or maintained as grass for the life of the contract for purposes of addressing a resource concern. The Managers do not intend for the grassland contracts to be subject to CSP payment limits. The Managers provide an early termination of the contract at any time without penalty to the producer, and all land enrolled during a crop year shall be planted or considered planted to an agricultural commodity during that crop year.

*(24) Conservation of private grazing land*

The Senate amendment adds authority for partnerships. (Section 2403)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 2404)

*(25) Soil health and income protection program*

The Senate amendment authorizes the soil health and income protection program to assist landowners with conserving and improving soil, water and wildlife resources. It allows agreements entered under this program to be for 3, 4, or 5 years. Provides an authorization of appropriations to carry out this program. (Section 2404)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with a modification authorizing a pilot program in the Conservation Reserve Program. (Section 2204)

*(26) Grassroots source water protection program*

The House bill extends this authority through FY 2023. It authorizes \$5 million in mandatory funding beginning in FY 2019, to remain available until expended. (Section 2402)

The Senate amendment authorizes \$25 million in appropriations for each of fiscal years 2019 through 2023. (Section 2405)

The Conference substitute adopts the House provision. (Section 2405)

*(27) Soil testing and remediation assistance*

The Senate amendment authorizes soil testing and remediation assistance. It requires the Secretary to work with producers to mitigate the presence of contaminants in soil, including by establishing a soil testing protocol, providing technical assistance for testing and remediation, education, outreach. It also authorizes a referral to the Environmental Protection Agency if necessary for additional remediation assistance. (Section 2406)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with modifications, including to the definition of “practice” under EQIP authorities. (Section 2303)

*(28) Voluntary public access and habitat incentive program*

The House bill authorizes \$50 million in mandatory funding for the period of FY 2019 through 2023. (Section 2403)

The Senate amendment merges the conservation innovation grant authority with the voluntary public access and habitat incentive program authority. It authorizes \$40 million of mandatory funding from Chapter 5 of the '85 Act for the period of FY 2019 through 2023 towards the voluntary public access and habitat incentive program. (Section 2407)

The Conference substitute adopts the House provision. It simplifies the current grant application process, increases funding in response to increased popularity, and includes additional incentives intended to encourage owners of private land to allow public recreation on land containing wetland reserve easements. (Section 2406)

The Managers intend the \$3 million for enhancing access to Wetland Reserve Easements (“WRE”) to be utilized to determine the level of interest among States in providing public access for hunting, fishing, and other recreational activities on WRP/WRE acreage. Because there are legitimate concerns about the scarcity of public access and the quality of wildlife habitat on wetland easements, landowners who are not utilizing or underutilizing enrolled land for personal use could potentially be incentivized to open their enrolled land to public use. After making a reasonable effort to conduct landowner outreach, if the Secretary determines that exchanging incentives for public access for recreation on WRE/WRP acreage would not be realistic, remaining funds are to be available for the other purposes of the program.

*(29) Agriculture conservation experienced services program*

The Senate amendment sunsets the ACES authority on October 1, 2023. (Section 2408)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate amendment.

*(30) Remote telemetry data system*

The Senate amendment directs the Secretary to encourage the use of remote telemetry data systems for irrigation scheduling in the environmental quality incentives program. (Section 2409)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate amendment.

The Managers recommend that USDA recognize as a best management practice in conservation programs the use of remote telemetry data systems for irrigation scheduling. Remote telemetry data systems, as used for irrigation scheduling, combine the use of field, weather, crop and soil data, which ensures that the precise amount of water is applied to crops to promote water and energy efficiency while also increasing crop yields. The Managers encourage USDA to incorporate remote telemetry data systems as a best management practice under the Environmental Quality Incentives Program.

*(31) Agricultural conservation easement program*

The House bill clarifies that one of the program purposes of the Agricultural Conservation Easement Program is to limit non-agricultural uses of land that negatively affect the agricultural uses and conservation values. It strikes “restoring and” and inserts “restoring or”. It amends the definition of “eligible land” to include up to 100 percent of the described parcel under certain enrollment circumstances. It strikes the consultation requirement with the Department of the Interior. The bill defines the term “monitoring report”. It authorizes technical assistance to implement the program. The bill allows for other forms of contributions from the eligible entities: cash contribution, charitable donation or funding from a non-USDA federal source. It continues the same cap for grasslands. The bill amends minimum terms and conditions to also require those are consistent with the agricultural use of the land. The bill further clarifies that the current right of enforcement does not extend a right of inspection unless the holder of the easement does not provide timely monitoring reports. The bill also strikes the Agricultural Land Easement “(ALE)” plan requirements and requires a conservation plan for highly erodible cropland. It requires proof of fraud or gross negligence to require a refund. The bill authorizes additional provisions regarding mineral development and environmental services markets. It authorizes within the entity certification a process to allow a certified eligible entity to use its own terms and conditions. It adds certification criteria regarding those accredited by the Land Trust Accreditation Commission with certain requirements. The bill amends subsection (d) of the ’85 Act by amending the technical assistance authority to assist in compliance with the terms and conditions of easements. It requires the terms and conditions of a wetland easement to comply with a grazing management plan that is modified at least every 5 years. The bill strikes “or off-site” in paragraph (4) of subsection (a) of the ’85 Act and the term “proposed or”, which is replaced with “permitted or”. It separates out and provides new modification and termination authorities. It prohibits the limitation in section 1001D(B)(1) of the ’85 Act from applying to a landowner with respect to any benefit described in paragraph (2)(B) of that section, related to the purchase of the easement. (Sections 2601-2605)

The Senate amendment clarifies that one of the purposes of ACEP is to limit non-agricultural uses of land that may negatively impact the agricultural uses and conservation values. It adds acequias to the list of eligible entities. It amends the

definition of “eligible land” to reflect the additional requirements for eligibility of certain land. The amendment authorizes buy-protect-sell transactions and authorizes technical assistance to implement the program, including for the development of a conservation plan. It strikes clause (ii) of subsection (b)(2)(B) of the ’85 Act regarding the source of contribution and replaces it with a charitable donation, certain costs related to securing a deed and other costs, as determined by the Secretary. The amendment requires an applicant to develop an agricultural land easement plan. It adds an additional priority for applications that maintain agricultural viability. It amends minimum terms and conditions to also require those are consistent with the agricultural activities to be covered. The amendment strikes the ALE plan requirements in clause (iv) of the ’85 Act and requires in a new subparagraph the terms and conditions exclude a right of inspection, unless monitoring reports are not provided. It authorizes additional terms and conditions. It also adds an additional term and condition authorizing the certified eligible entity to use its own terms and conditions to account for geographic differences. The amendment adds two certification criteria for those accredited by the Land Trust Commission with certain different requirements or State Departments of Agriculture or other State agencies. It adds acequias as an entity that may enroll in a 30-year contract. It adds as a consideration the ability of the land to sequester carbon. The amendment adds as a priority the improvement of water quality. It adds acequias as eligible entities for a contract or agreement regarding technical assistance and to carry out special wetland reserve enhancements. The amendment authorizes the Secretary to establish or restore alternative vegetative communities. It provides that subsection (a)(2) of the ’85 Act (new subparagraph (B)) is subject to the new acequia authority. It provides authority for the Secretary to acquire land owned by acequias. The amendment authorizes the Secretary to terminate or modify a contract under section 1231(a) of the ’85 Act if the land is enrolled in an ALE easement under section 1265C(b). It authorizes the Secretary to simultaneously enroll land subject to an easement in a CRP contract under subchapter B of chapter 1 of the ’85 Act. (Section 2410)

The Conference substitute adopts the House provision with amendments. It narrows existing limitation on nonagricultural uses to those that negatively affect agricultural and conservation values while expanding cost-share and program eligibility, including land subject to buy-protect-sell transactions, and broadens secretarial authority to set application criteria and modifies authority to conduct enforcement, subordination, modification, exchange, and termination of easements. It also provides additional allowable conditions an easement holder may place on the agreement and prioritizes water quality improvement on wetland reserve easements. It authorizes alternative vegetative communities. Land enrolled under ALE may simultaneously be enrolled under a CRP contract. (Subtitle F)

The Managers make amendments to both Agricultural Land Easements and Wetland Reserve Easements in order to improve program deliverability. The Managers expect the agency to prioritize the maintenance and enhancement of the functions and values of currently enrolled WRE. While some States have effectively achieved increased wetland functions and values, including optimum wildlife habitat, more could be done by States to achieve these goals. By including these statutory changes for WRE, the Managers hope to ensure these wetlands and associated upland areas will be managed so the taxpayers receive the wildlife habitat and water quality benefits they have paid for and deserve.

The Managers included language on alternative plant communities and intend for the agency to eliminate the 30 percent restriction on restoration of alternative plant communities as part of a wetland reserve easement, and to provide flexibility in wetland restoration to enhance wetland functions and migratory bird habitat values and contribute to the goals of state, regional, and local conservation initiatives.

Riparian areas are critical to wildlife conservation and water quality, especially in the Southwest where non-contiguous riparian habitats constitute a major portion of those States' wetlands. These riparian areas in the Southwest that are not connected to permanently protected wetlands are eligible for WRE, and the Managers urge the Secretary to invest the resources needed to make WRE a useful and well-used tool in those states where riparian areas are so critical to wildlife, including in New Mexico and Arizona.

The Managers' intent behind allowing flexibility and additional options in the non-federal share of cost share assistance (matching funds) is to broaden the ability of entities to participate in ALE, including for grasslands of special environmental significance, across a more diverse geography. The intention of the language is to provide better access to the program to states where farm and ranchland preservation funding is not readily available like South Dakota, Texas, and Alabama. The Managers do not believe the program should be limited only to entities that can provide cash match. It is important to acknowledge other expenses that an entity must take on, such as the long-term expense of monitoring an easement or other additional upfront costs. The Managers believe that the long-term strength of the program is derived from making the program available as broadly and equitably as possible across diverse regions of the country. The Managers do not intend for USDA to reject cash match entirely but to broaden the options available to eligible entities.

The Managers have made two main changes to certification language in the Conference substitute. The first is to clarify the intent of Congress that a certified entity should be able to write its own deed terms, subject to minimum deed terms set by NRCS. This was the intent in the Agricultural Act of 2014 and is clarified here. The Department should not put undue burden on an entity's ability to write its own deed terms. Second, the Managers have provided three pathways for eligible entities to be certified. The first is the Agricultural Act of 2014's retained provision enabling any eligible entity to be certified if it demonstrates to the Secretary certain capabilities around acquiring, administering and enforcing agricultural land easements. Two additional pathways have been created – one for accredited land trusts, and the other for State agencies with statutory authority for farm and ranch land protection. In order to become certified, the entity must have acquired a certain number of easements through a Federal easement program and successfully met program responsibilities in doing so.

The Managers limit the Secretary's authority to the right of enforcement under the program and clarify that such right only extends to a right of inspection in two cases: (1) where a monitoring report is not supplied or (2) when there is reasonable evidence of violation of the terms of the easement. The Managers intend for entities to be the primary agent for enforcement of the deed terms reinforcing Congressional intent back to the Food, Conservation, and Energy Act of 2008.

The Managers defined a monitoring report in order to provide clarity to NRCS on the documentation required by eligible entities. The Managers believe that this clarification is needed to ensure that NRCS respects the role of the eligible entity and



does not pursue an inspection role while the eligible entity is fulfilling responsibilities under their agreements and providing reports to NRCS.

The Managers modified the definition of eligible land to allow for agricultural land to be owned by an eligible entity on a transitional basis to qualify for program participation, provided that the land subject to the agricultural land easement be transitioned to farmer or rancher ownership within 3 years. The language provides two pathways for these “Buy-Protect-Sell”-type projects, both of which allow an application to the program for purchase of an agricultural land easement without a pending offer and without identification of the farmer or rancher to whom the land will eventually transfer.

The Managers recognize the value of “Buy-Protect-Sell” projects, which are intended to help farmers and ranchers gain access to affordable farmland, and the need for flexibility in the program to facilitate their use. The Managers recognize that the process of identifying a farmer or rancher to purchase the protected land and effecting the sale of that land can take time, and that unforeseen circumstances can delay a sale. With this in mind, the timeline—and option for extension—laid out in this section is intended to provide as much flexibility as possible, while at the same time holding eligible entities to the terms of their initial application.

By striking the consultation with the Secretary of the Interior, the Managers do not intend to exclude the Department of the Interior from involvement in WRE. It is the intent of the Managers that the Secretary of Agriculture continue to implement the program in close partnership with the Department of the Interior at the local level.

While the Conference substitute removes the requirement for an ALE plan as part of the minimum deed terms (except for land with highly erodible soil), the Managers encourage USDA and eligible entities to work with landowners entering into an ALE easement to undertake conservation planning activities on their land in order to maximize the environmental value of the protected land.

The Managers recognize the substantial investment taxpayers make in easements and understand the importance of ensuring taxpayer dollars are wisely spent. However, on limited occasions, there may be justifications for changes to easements. Entities participating in the ALE program take the obligations that come with stewarding perpetual easements very seriously. Modifying an easement can be necessary from time to time for a variety of reasons. Modifications should be done to (1) add acreage; (2) improve conservation values; or (3) improve the administration of the easement. Alternative options should always be considered before administrative action is taken to change or modify the terms of the easement. Terminating an easement should only be done in very rare cases and the Conference substitute does not weaken the current requirements for termination actions. In the case of termination actions, the United States should be fully compensated, including for any restoration costs. However, the Managers understand there needs to be some flexibility and straight forward rules in these rare instances of termination. The Managers expect that the Department will provide entities with the flexibility to properly administer perpetual easements, but to be prudent in the use of this flexibility. The Managers intend that a contribution shall not fail to be considered a qualified contribution under the Internal Revenue Code of 1986 based solely on the termination authority granted to the Secretary under this section.

The Managers include the consideration of agricultural viability as a priority for the Secretary in evaluating applications under the program. The Managers consider the components of agricultural viability to include those that enable a producer to



productively operate a farm or ranch on the protected land; maintain the long-term affordability of the protected land; maintain an economically sustainable farm business on the protected land; and maintain the protected land in a way that enables its agricultural use by future generations of farmers and ranchers.

The Managers intend to provide explicit authorization for eligible entities to add deed terms to the agricultural land easement that address farmland affordability and keep the protected parcel in farmer ownership. The Managers envision that these deed terms include those that NRCS has permitted in ALE easement purchases in Vermont and Massachusetts, known as the Option to Purchase at Agricultural Value, as well as deed terms with a similar purpose, such as a Preemptive Purchase Right.

The Managers allow for entities holding an ALE to add deed terms that address mineral development. The intent of the Managers is to provide statutory clarity to the issue of mineral development on easement lands. The Managers have determined that instances when the ALE program prohibits subsurface mineral development on lands where mineral rights have been severed, they are limiting the applicability and impact of the program by eliminating otherwise high value conservation lands from program eligibility. This provision does not negate or supersede any other applicable laws, including State laws, which may otherwise apply to any mineral development activities. In the event that mineral development rights are reserved and exercised under the program, the activity should be consistent with the conservation and agricultural purposes of the land and all provisions of the program. It is not the intention of the Managers to have a massive expansion of mineral rights exploration on ALE lands but it is intended to provide clarity, especially on lands where mineral rights are severed and not owned by the landowner. This language is not intended to require States that have specific prohibitions against mineral development on eased lands to allow mineral rights development on eased lands.

*(32) Regional conservation partnership program*

The House bill amends the term “covered program” to include CRP and the Watershed Protection and Flood Prevention Act. It amends the term “eligible activity” to include “resource-conserving crop rotations”. It amends the same term to include protection of source waters for drinking water. The bill amends the length of the partnership agreements to limit an agreement and renewal to 5 years, and one extension up to 12 months. The bill further authorizes the Secretary to enter into a partnership agreement, including a renewal under subsection (d)(5) of the ‘85 Act for longer than 5 years if necessary to meet the objectives. It amends subsection (c)(1)(E) of the ‘85 Act to include quantification of the project’s environmental outcomes. It also directs the Secretary to conduct a “simplified” competitive process. The bill authorizes applications for renewals for certain purposes. It also amends the Adjusted Gross Income (“AGI”) waiver authority under section 1001D of the Act to create an exemption to the limitation of paragraph (2), as well as any limitations related to the covered programs for producers. The bill authorizes mandatory funding at \$250 million for each of fiscal years 2019 through 2023. It directs the Secretary to provide guidance on how to quantify and report environmental outcomes and the progress being made towards quantifying and reporting the same. It eliminates the limitation applying the Small Watershed Program to only Critical Conservation Areas (“CCA”). (Sections 2701-2706)

The Senate amendment amends the program to simplify and streamline the program. The Senate amendment eliminates the requirement for USDA to operate the program through the terms and conditions of the covered programs and instead requires USDA to operate it as a stand-alone program using a new program contract for producers. The Senate bill included new authority for renewal of partnership agreements, provided more flexibility in the partner funding contributions, eliminated and replaced Alternative Funding Arrangement authority with a new grant authority limited to 30 percent of annual funding, eliminated the national funding pool and created a new multistate funding pool, increased mandatory funding to \$200 million per year, retained the 7 percent reservation of funds from the covered programs, and revised criteria for CCA designations.

(Section 2411)

The Conference substitute adopts the Senate amendment with modifications. The conference report maintains most of the Senate bill reforms, with a few amendments. The two Senate bill funding pools will be fund equally between states and multistate CCAs. The new grant authority from the Senate bill is revised to allow USDA to enter into up to 15 grants or Alternative Funding Arrangements per year with eligible partners. Mandatory funding is increased to \$300 million per year and the 7 percent reservation of funds is eliminated. (Subtitle G)

The Managers streamline the operation of the Regional Conservation Partnership Program (RCPP) to increase program adoption by eligible partners and producers alike. The Managers intend for USDA to use the covered programs (as defined in statute) as a guide for what conservation activities can be done through partnership agreements and contracts with producers, but do not intend for USDA to continue to implement RCPP through the rules and regulations of the covered programs. NRCS shall run RCPP as a stand-alone program, with its own rules and regulations, and shall revise the program to focus on increasing producer access, improving conservation outcomes, and simplifying procedures.

The Managers do not intend for the change in RCPP's eligible activities to, in any way, lessen the prioritization of projects that may include drought mitigation, flood prevention, water retention or water quantity and groundwater recharge activities. The availability of funding to address these issues remains of utmost importance in many regions of the country.

The Managers continue to believe that initiatives developed at the local level and with local input are critical to ensuring the success of this program. Therefore, the Managers encourage potential project partners to engage with conservation districts within the boundaries of a proposed project for input and feedback on the natural resource priorities that have been identified. The Managers encourage NRCS to include conservation district engagement within its ranking criteria.

The Managers modified the terms in the establishment of RCPP to ensure eligible partners entering into agreements can be funded through alternative funding arrangements and grant agreements through which the eligible partners can implement projects and provide financial assistance directly to producers. It also modifies the purposes of the program by striking the use of covered programs under RCPP and refocuses the program on carrying out conservation activities through program contracts outside of covered programs. The Managers intend for this to change how NRCS carries out RCPP by moving away from implementation directly through the covered programs.

The definition of ‘covered program’ under RCPP is revised to be a “purpose, activity, or agreement” of EQIP, CSP, ACEP, CRP, Healthy Forest Reserve Program, and the Watershed Act. The Managers intend this change to mean that a partnership agreement must include a purpose, activity or agreement that is authorized in one of the covered programs, but not be carried out through the covered program.

The definition of eligible partner is updated to specifically include acequias, land trusts and other organizations who have authority to hold conservation easements, and conservation districts. The Managers note that these entities are already considered eligible partners by NRCS, but wanted to make that clear in statute so they continue to be eligible in the future.

While the Managers intend to allow a partnership agreement longer than 5 years under RCPP, they expect the Secretary to only allow longer agreements in select situations, like if the longer period is concurrent with a deadline established under a State or Federal program that relates specifically to the project.

The Managers emphasize the importance of a partner’s duty to quantify the environmental outcomes of their RCPP projects, and partners are encouraged to assess and report on the economic and social outcomes of their projects, as partners may be able to encourage increased adoption of conservation practices. The Managers expect the Secretary to provide guidance to partners on how to quantify and report on the outcomes of their projects. This guidance should include methods and tools that can be used to quantify outcomes at varying scales appropriate to projects (regional, state, county, watershed, field, etc.), and for the various natural resource concerns addressed by projects. The Managers emphasize the importance of presenting the progress of partners and participating producers in regular reports to Congress, while recognizing that different conservation practices have differing timelines for their full effects to be realized.

The Managers clarified the partner contribution requirements to ensure that a partner contribution can be a combination of financial or in-kind contributions, and that time spent between the announcement of the project award and the signing of the partnership agreement can be counted toward the partner contribution.

The Managers intend for NRCS to ensure that there is a staff person in every state to serve as an RCPP coordinator. This person should be available to assist partners with implementing the project and provide reports and other information required by the Secretary. While the Managers did not include the requirement for modification of conservation practice standards from the Senate bill within RCPP, this authority was moved to Section 1242 of the Food Security Act of 1985 so that the modification of conservation practice standards can be allowed for all conservation programs.

The Managers direct USDA to create a simplified application process for eligible entities, particularly new partners and small organizations.

The Managers intend NRCS to develop a separate, noncompetitive process for renewing successful partnership agreements. NRCS should ensure that only the most successful projects qualify for renewal, and the Managers do not intend for renewals to use a majority of funding available each fiscal year. Since the national funding pool is eliminated, the Managers intend that any eligible partner that was funded through the national funding pool and otherwise meets the requirements for renewal of that partnership agreement shall be renewed with funding from the applicable State or multiple State competitive process.

The Managers encourage the Secretary to provide all RCPP applicants who are not awarded a partnership agreement, information and feedback, including written information and feedback as appropriate, for improvements that could be made to the application to make it more competitive if the partner chooses to apply again in the future.

The Managers provided new authority for the Secretary to deliver RCPP through a new program contract with producers that is not a contract from a covered program. The Managers intend the Secretary to have greater flexibility in setting the terms of the program contract and the type of conservation activities to be undertaken by producers. New application bundles are authorized to give higher priority to projects where a majority of producers in a watershed agree to submit applications for conservation activities. The Managers intend the Secretary to utilize this authority when there would be a greater conservation benefit to the watershed.

The Managers authorize USDA to enter into both alternative funding arrangements and grant agreements with eligible partners, depending on the specific requirements of the project. The alternative funding arrangement or grant agreements provision replaces the problematic “alternative funding arrangement” (AFA) provision in the current law. The current AFA provision proved to be time-intensive and difficult to contract for multi-producer, irrigation infrastructure projects and other watershed scale projects, and only two AFA contracts were completed nation-wide under the current law. This section addresses the short-comings of the current AFA provision by providing new statutory authority for straight-forward contracting with an eligible partner implementing an RCPP project directly with multiple producers, such as a project to upgrade water delivery or irrigation infrastructure owned by a canal company, ditch company, or irrigation district.

The Conference substitute limits AFA and grant projects to no more than 15 projects per year. The Managers encourage the Secretary to use discretion to ensure that the project can truly be carried out more effectively through the alternative funding arrangement or grant than through the traditional partnership agreement model. The Managers also intend for the eligible partners to ensure that the projects under this authority directly benefit and involve producers.

While the eligible partner will be responsible for contracting with producers and making payments to producers, the Secretary may provide technical and administrative assistance to support the eligible partner. Such assistance includes checking producer eligibility requirements, including conservation compliance, adjusted gross income, and payment limits.

While the Conference substitute included alternative funding arrangements alongside grants within this authority, it is the intent of the Managers that the Secretary utilize alternative funding arrangements to provide both flexibility in implementation and support for eligible partners. The Managers recognize that AFAs may provide the Department with more administrative flexibility, but intend for these to run very similar to a grant agreement. If the eligible partner and the Secretary so choose, they may simply enter directly into a grant agreement in lieu of an AFA.

In order to simplify the application process, the national funding pool is eliminated. Partners can apply if they are in a critical conservation area, or under a new state and multistate funding pool. The Managers intend the state and multistate funding pool to fund both large and small projects. For the multistate authority, the State

Conservationist for each state involved should agree to fund the project in order for it to be awarded.

There has been considerable frustration among partners regarding the use of technical assistance by NRCS in implementing the program. The Managers intend NRCS to be straightforward and up front with partners about the amount of technical assistance that will be needed to implement projects and to report publicly on that information. To help further its capacity to get conservation on the ground, NRCS should increase efforts to engage third-party providers in technical assistance for projects.

The Managers intend for NRCS to continue to apply conservation compliance requirements to producers participating in projects through RCPP, including through the alternative funding arrangement or grant agreement authority.

The Managers expect the Secretary to work with eligible partners to ensure participation in projects by beginning farmers and ranchers, veteran farmers and ranchers, socially disadvantaged farmers and ranchers, and limited resource farmers and ranchers. Both USDA and eligible partners shall conduct outreach and provide technical assistance to historically underserved producer groups to ensure that these groups actively participate in RCPP projects.

The Managers intend the current Critical Conservation Areas (CCA) to remain in place for the duration of the 2018 Farm Bill, unless the Secretary can demonstrate the resource concerns have been fully addressed for the CCA. In addition, some partners believe that some project awards in a CCA were not directly addressing the primary resource concerns for the respective CCA. The Managers intend for the Secretary to only award projects in the CCA directly related to the primary resource concerns for a CCA.

The Managers expect the Secretary to provide guidance to partners on how to quantify and report on the outcomes of their projects. This guidance should include methods and tools that can be used to quantify outcomes at varying scales appropriate to projects (regional, state, county, watershed, field, etc.) and for the various natural resource concerns addressed by projects. The Managers emphasize the importance of presenting the progress of partners and participating producers in regular reports to Congress, while recognizing that different conservation practices have differing times for their effects to be realized.

### *(33) Emergency conservation program*

The House bill restructures section 401 of the Agricultural Credit Act of 1978 (the “ACA”) into two subsections amending existing law to add wildfires and creating a new subsection for repair and replacement of fencing with option to receive the payment in advance. It adds new section 402A to the ACA, providing maximum cost-share rate, exceptions for Limited Resource Farmers and Ranchers, Beginning Farmers and Ranchers, or Socially Disadvantaged Farmers and Ranchers, and a maximum payment limitation. (Section 2406)

The Senate amendment amends section 403 of the ACA and adds two new sections (authorities). It provides a payment limit and establishes a set-aside of program funds for repair and restoration of fencing. Section 12614 of the Senate amendment is identical to section 2406 of the House bill, with the exception of the 25 percent maximum pre-payment limit and return of funds requirement. (Section 2414 & 12614)

The Conference substitute adopts the House provision with an amendment. Losses due to wildfire are made eligible. Fencing repair and replacement cost-share are



authorized for up to 75 percent of the total cost, with an advance disbursement option available to the producer. A payment limit of \$500,000 is established. (Section 2403)

*(34) Watershed protection and flood prevention*

The House bill maintains the current authorization of appropriations structure for flood prevention and includes new \$100 million in mandatory spending for the overall program during each of fiscal years 2019 through 2023. (Section 2404)

The Senate amendment authorizes \$200 million in appropriations for each of fiscal years 2019 through 2023. (Section 2415)

The Conference substitute adopts the House bill with amendment. The substitute includes a waiver for the watershed plan under certain instances and provides \$50 million in mandatory funding for each fiscal year thereafter. (Section 2401)

*(35) Small watershed rehabilitation program*

The Senate amendment authorizes the Watershed Protection and Flood Prevention Act authorization of appropriations at \$20 million annually through FY 2023. (Section 2416)

The House bill maintains the current authorization level of \$85 million through FY 2023. This program is also covered by the new mandatory money above.

The Conference adopts the House provision. (Section 2401)

*(36) Repeal of conservation corridor demonstration program*

The Senate amendment repeals the conservation corridor demonstration program. (Section 2417)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 2811)

*(37) Repeal of cranberry acreage reserve program*

The Senate amendment repeals the cranberry acreage reserve program. (Section 2418)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 2812)

*(38) Repeal of National Natural Resources Foundation*

The Senate amendment repeals the National Natural Resources Foundation. (Section 2419)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 2813)

*(39) Repeal of flood risk reduction*

The Senate amendment repeals the flood risk reduction. (Section 2420)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 2814)

*(40) Repeal of study of land use for expiring contracts and extension of authority*

The Senate amendment repeals the authority. (Section 2421)

The House bill contains no comparable provision.



The Conference substitute adopts the Senate amendment. (Section 2815)

*(41) Repeal of integrated farm management program option*

The Senate amendment repeals the integrated farm management program option authority. (Section 2422)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 2816)

*(42) Repeal of clarification of definition of agricultural lands*

The Senate amendment repeals the authority. (Section 2423)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 2817)

*(43) Resource conservation and development program*

The Senate amendment authorizes the program through FY 2023. (Section 2424)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate amendment.

*(44) Wildlife management*

The Senate amendment codifies the working lands for wildlife conservation partnership between the Department of Agriculture and the Department of Interior and expands the authority to the conservation reserve program in the Farm Service Agency. It also authorizes the Secretary to assist a requesting federal, state or local agency regarding regulatory certainty through conservation practices, under certain conditions. (Section 2425)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with a technical change. (Section 2407)

The Managers recognize the success of the Working Lands for Wildlife model of conservation established between USDA's Natural Resource Conservation Service and the U.S. Fish and Wildlife Services as a model of effective species conservation on private lands that can provide regulatory certainty for farmers, ranchers, and landowners. The Managers support the regulatory predictability that the model of conservation provides to producers who voluntarily implement agreed upon conservation practices that promote species recovery. In the event that a species is listed as threatened or endangered under the Endangered Species Act in the future, producers in the Working Lands for Wildlife model of conservation who voluntarily implement agreed upon conservation practices are able to continue to operate their farms and businesses without potential disruptions related to the listing. Protections under this initiative include up to 30 years of certainty related to protections from incidental take under the Endangered Species Act as long as the producer or landowner voluntarily maintains the agreed upon conservation practice. The Managers expand the Working Lands for Wildlife model of conservation to apply to the Farm Service Agency for programs like the Conservation Reserve Program and expect the same regulatory certainty to apply.

*(45) Healthy forests reserve program*

The House bill includes this provision within the forestry title. (Section 8107)

The Senate amendment makes amendments to the Healthy Forests Reserve Program and adds as a purpose of the program to conserve habitats for candidate, threatened, endangered species or species of greatest conservation under State wildlife action plans. The provision eliminates the limitation on the use of cost-share agreements and easements. It also directs that restoration plans under the program include land management practices, vegetative treatments, structural practices and measure, practices that improve biological diversity, carbon sequestration, and other appropriate activities. It strikes (e)(2). It authorizes certain practices. (Section 2426)

The Conference substitute deletes the Senate amendment and addresses it within Title VIII.

*(46) Watershed protection*

The Senate amendment amends the definition of “works of improvement” in the Watershed Protection and Flood Prevention Act and authorizes a waiver for the watershed plan under certain circumstances. (Section 2427)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with modifications that do not include a change to the definition and modify the requirements for a waiver. (Section 2401)

The Managers authorize a waiver for watershed plans where the Secretary determines that it is unnecessary or duplicative. The Managers intend that the Secretary exercise this waiver authority in instances where the proposed work of improvement would not require the same type of plan or analysis provided for in a PL-566 plan if the activity were conducted under other USDA conservation program authority, for work which is categorically excluded from more significant USDA or other Federal agency review, or where adequate planning has already been conducted. The watershed plan waiver authority does not authorize the Secretary to waive the National Environmental Policy Act (NEPA) or other federal environmental laws applicable to a proposed PL-566 work of improvement. The Managers included this waiver to improve the deliverability of the program and ensure financial resources are devoted to implementing watershed protection measures that benefit producers, rural communities, and the environment.

*(47) Modifications to conservation easement program*

The Senate amendment provides authority for the Secretary to modify or exchange land in a covered program and modify an agreement, contract or an easement in a covered program if such modifications meet certain requirements and costs are covered by the party requesting the modification or exchange. (Section 2429)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate amendment.

*(48) Feral swine eradication and control pilot program*

The House bill provides the Secretary the authority to establish a pilot project for eradication and control of feral swine. It enumerates the duties of the Secretary in carrying out the pilot including assessment, control methods, restoration, and the provision for financial assistance to producers. It also enumerates the actions for which financial assistance will be provided. The bill requires coordination between the Natural Resources Conservation Service and the Animal and Plant Health Inspection Service with

State Technical Committees to determine the pilot areas for the project. It provides that areas considered for the pilot will demonstrate feral swine impacts as a threat to agriculture, native ecosystems, or human or animal health. It establishes the cost-share level of 75 percent and provides for in-kind contributions of materials and services. The bill allocates \$100 million in mandatory funds for the period of 2019 through 2023 and distributes the funding at 50 percent to each agency and the scope of their work. It further limits the use of these funds to no more than 10 percent for administrative expenses associated with the pilot project. (Section 2405)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment providing \$75 million in mandatory funding. (Section 2408)

*(49) Soil and water resources conservation*

The House bill reauthorizes the Soil and Water Resource Conservation Act through FY 2023 and expands USDA's ability to assess natural resource concerns through enhanced measurement, evaluation, and reporting on conservation program outcomes. (Section 2408)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment reauthorizing the authority. (Section 2402)

*(50) Funding; Report on program enrollments and assistance*

The House bill amends the '85 Act to extend CRP funding under both paragraphs (A) and (B) through FY 2023. It authorizes ACEP funding at \$500 million for each fiscal year 2019 through 2023. It conforms this section with CSP repeals. The bill retains the current authorization of EQIP funding for 2018, and authorizes funding at \$2 billion for 2019, \$2.5 billion for 2020, \$2.75 billion for 2021, \$2.935 billion for 2022 and \$3 billion for 2023. It strikes 2 reports due in 2014. It also strikes the regional equity authority. The bill extends the authority through FY 2023 and conforms paragraph (1) regarding the CSP repeal. It strikes paragraph (h)(3) regarding an authority to repool acres. It requires a report each FY 2018 through 2023 by Dec. 15 regarding different activities. (Section 2501)

The Senate amendment amends the funding for section 1234(c)(1)(A) of the '85 Act to \$11 million for the period of FY 2019 through 2023 and (B) to \$50 million for the period of FY 2019 through 2023 to carry out section 1235(f), capping outreach and assistance spending at \$5 million and conforming retiring owners and operators with previous changes to "contract holders". It authorizes ACEP funding at \$400 million for each fiscal year 2019 through 2021, \$425 million for FY 2022 and \$450 million for FY 2023. It authorizes EQIP funding at \$1.473 billion for 2019, \$1.478 billion for 2020, \$1.541 billion for 2021, \$1.571 billion for 2022, and \$1.595 billion for 2023. The amendment strikes a 2012 review. It extends the authority through FY 2023. It targets 15 percent of funding to assist beginning farmers and ranchers and the same for socially disadvantaged farmers and ranchers. The amendment provides new conservation standards and requirements. It strikes certain activities. (Sections 2501 & 2602)

The Conference substitute adopts the House provision, including funding for various programs, reports, an extension of a funding authority for certain farmers and ranchers, and provides for interagency coordination on conservation standards and

requirements. (Section 2501)

While the Conference substitute does not increase the set-aside for beginning farmers or socially disadvantaged producers, the Managers recognize the importance of updating funding allocations in the conservation programs to better reflect the changing demographics among farmers and ranchers and encourage USDA to continue to improve enrollment in conservation programs by these producers.

*(51) Delivery of technical assistance*

The House bill amends the definition of “eligible participant” to remove eligibility under section 524 of the Federal Crop Insurance Act. It also defines “third-party provider”. It authorizes a new alternative certification process. (Section 2502)

The Senate amendment defines “third-party provider”. It authorizes a new certification process for third-party providers as well as a streamlined process. It strikes the current authorization and inserts new authority for the expedited revision of conservation practice standards. It also requires a report. (Section 2502)

The Conference substitute adopts the House provision with amendments to the certification process and review of conservation practice standards, and includes the expedited revision of standards provision in the Senate amendment. (Section 2502)

The Managers believe technical service providers are an important part of the conservation delivery system. The Managers intend for USDA to use the vast technical knowledge available in the private sector as a way of complementing NRCS reach and expertise. The Conference substitute clarified the definition of a TSP to specifically include commercial entities. The Conference substitute provides authority for non-Federal entities to certify technical service providers. The Managers intend for USDA to implement this and make this available nationwide.

The Managers encourage NRCS to continue to work with the U.S. Forest Service and state forestry agencies to streamline and align forest management plan requirements in private forestry assistance programs administered by each of these agencies. The Managers also encourage NRCS to allow use of landscape-wide or area-wide forest management plans to meet the requirements of forest management plans in NRCS programs.

*(52) Administrative requirements for conservation programs*

The House bill strikes subsection (m) of the '85 Act because expanded language related to that exemption is not in Title I of this bill and adds a new authority for targeting conservation practices for source water protection which includes a reservation of funds at not less than 10 percent of conservation funds (not including CRP) for each of fiscal years 2019 through 2023. (Section 2503)

The Senate amendment adds Acequias to the authority for certain incentives in section 1244 of the '85 Act. It increases the cap from 10 percent to 15 percent for cropland in a county that can be subject to a wetland reserve easement. It updates the calculation authority regarding acreage to reflect 2018 farm bill enactment. The Senate amendment adds new authority to the pollinator authority in subsection (h) of the '85 Act. It applies commodity program eligibility to the definition of an exempted producer and conforms paragraph (2) of subsection (m) of the '85 Act. It directs the Secretary to enter into alternative funding arrangements with tribes under certain circumstances. The

amendment adds an authority for source water protection. It authorizes a waiver and contract limitation to payments made to acequias. (Sections 2503 & 12613)

The Conference substitute adopts the Senate amendment with modifications, including deleting subsections (a) and (f) of the '85 Act, providing an authority for the review and guidance for practice costs and payment rates, amending the authority for alternative funding arrangements for Indian tribes. The substitute also adopts the House provision on source water protection and a modification to its reservation of funds, does not include the pollinator authority within this title, does not include the regulatory relief provision within this title (moved to title I), establishes authority for environmental services market, and addresses regulatory certainty. (Section 2503)

The Managers encourage the Secretary to expand upon existing work at USDA to encourage the protection of pollinators and the enhancement of pollinator habitat through adoption of conservation practices. This work may be accomplished through the development of area-wide conservation plans and strategies to increase the use of integrated pest management, as well as providing technical assistance to producers relating to background science, promotion, and implementation of conservation habitat enhancement for beneficial insects. Examples of assistance that USDA could provide to producers include, but are not limited to, sharing best management practices that integrate natural predators and parasites of crop pests into agricultural systems and promoting additional practices that enhance natural habitat for these insects, providing an alternative to pesticide application on farms.

The Managers intend for the Department to emphasize the importance of protecting sources of drinking water throughout the title because of the direct public health benefit such activities would provide. Protection of sources of drinking water not only means emphasizing practices that have a significant water quality or water quantity benefit, but also focusing those practices in watersheds where source waters can be protected or improved. Water quality and quantity practices do not address source water protection if those waters are not used as water system sources or if they do not address water system concerns.

The Managers understand that some programs do not have purposes that directly align with source water, but the Managers intend at least ten percent of the total amount of conservation title funding go towards source water protection, not necessarily from each individual program. For example, this could mean EQIP could in practice provide more than its 10 percent minimum share to satisfy the overall requirement if the Agricultural Conservation Easement Program could not. The Managers do not intend for this to be a "check the box" activity of retrospectively accounting for funds that addressed protection of source water, but instead represents a clear priority for the Department to identify watersheds where potable water is at risk and to target those areas for conservation implementation.

The Managers provide authority to incentivize practices that have a beneficial environmental impact on protecting drinking water. This tool is intended to address practices that might have limited adoption because of the cost to the producer or because the benefits are largely off-farm. Examples include edge of field practices such as saturated buffers, woodchip denitrifying bioreactors, or drainage water management.

The Managers believe that USDA actively seeking partnerships to identify targeted areas helps amplify the importance of voluntary, incentive-based conservation. One of those critical partnerships is with water utilities and the Managers expect the

Department to work with drinking water utilities to identify key areas in each state to focus on protecting source water. The Managers intend for this to be used in priority areas in each state; not just certain areas of the country.

The Managers believe environmental markets have the potential to play a significant role in addressing natural resource concerns. Producers enrolled in conservation programs under this title should not be precluded from participating in those markets as long as the landowner is providing additive conservation above and beyond the protections provided under the program. This could be an important market for landowners, and not allowing them to participate in these markets could serve as a disincentive for permanent farmland protection such as those provided under ACEP. For instance, landowners could undertake management changes that could increase the amount of carbon sequestered above and beyond that amount of carbon that is sequestered simply by preventing conversion of grassland or timberland.

*(53) Definition of acequia*

The Senate amendment defines an acequia in the '85 Act. (Section 2504)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate amendment.

*(54) Authorization of appropriations for water bank program*

The Senate amendment authorizes appropriations at \$5 million for each of fiscal years 2019 through 2023, to remain available until expended. It strikes a provision that applied through FY 1980. (Section 2505)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate amendment.

*(55) Report on land access, tenure, and transition*

The Senate amendment authorizes a report on land access, tenure, and transition. (Section 2506)

The House bill contains no comparable provision.

The Conference substitute addressed the Senate amendment in title XII.

*(56) Report on small wetlands*

The Senate amendment authorizes a report on small wetlands. (Section 2507)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with modifications to the report. (Section 2409)

The Managers request that USDA, acting through the Chief of NRCS, conduct a report on small wetlands to be completed within 6 months following enactment. The Managers require that the report include the number of small wetlands that have been delineated in each of the states during fiscal years 2014 through 2018. The Managers request that USDA provide additional reports that look at years prior to 2014 and that those reports be made available by the end of each fiscal year after the enactment of this Act. The Managers intend for this report to provide information on small wetlands and ensure that NRCS is using the same methodology across each of the states identified in determining wetlands that are small in nature.



*(57) State technical committees*

The House bill adds the State 1862 Institution to the State technical committee. (Section 2504)

The Senate amendment directs State technical committees to review technologies and practices and make recommendations to the Secretary. It amends section 1261(b)(2) of the '85 Act to strike "under section 1262(b)". (Sections 2508 & 2604)

The Conference substitute adopts the House provision with an amendment to include section 2604 of the Senate amendment and the addition of the State cooperative extension and the land grant university in the State. (Section 2822)

The Managers recognize the importance of State Technical Committees and how they provide important State input on natural resource concerns and the delivery of USDA conservation programs. The Managers believe that focusing National programs to meet the needs of agricultural producers in each state should be done with input from representatives within the State and include the diversity of production. State technical Committees should balance representation between grower representatives, conservation organizations, Tribal, State, local government agencies, and other interested organizations within the State.

*(58) Farmable wetland reform*

The Senate amendment is a technical correction. (Section 2601)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate amendment.

*(59) Drought and water conservation agreements*

The Senate amendment amends 1231A of the '85 Act and authorizes the Secretary to enter into agreements that address regional drought concerns. (Section 12612)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate amendment.

*(60 & 61) Repeal of terminal lakes assistance*

The House bill repeals the authority for terminal lakes assistance. (Section 2802)

The Senate amendment contains no comparable provision.

The Conference substitute strikes the authorization of appropriations and makes a technical change. (Section 2821)

### Title III – Trade

#### *(1) Generation and use of currencies by private voluntary organizations and cooperatives*

The House bill allows the generation of proceeds from the sale of commodities by private voluntary organizations to be used as enumerated in this section. (Section 3004)

The Senate amendment allows the Administrator of USAID to permit private voluntary organizations to sell commodities distributed under nonemergency programs under this title to generate proceeds to be used as enumerated in this section. (Section 3102)

The Conference substitute adopts the House provision. (Section 3103)

#### *(2) Food aid consultative group*

The House bill reauthorizes the authority for the group through FY 2023. (Section 3006)

The Senate amendment reduces the consultation period for proposed regulations, handbooks, or guidelines concerning this title to 30 days. It reauthorizes the Food Aid Consultative Group through FY 2023. (Section 3104)

The Conference substitute adopts the Senate provision. (Section 3105)

The Managers expect that reducing the Food Aid Consultative Group (FACG) review period from 45 days to 30 days will streamline and expedite the approval of agreements and that efforts will be taken to ensure such change does not reduce the opportunity for FACG members to provide feedback on proposed regulations, handbooks, or guidelines.

Furthermore, the Managers believe food aid transportation efficiency and transparency can be improved and expect the FACG to review and recommend any specific changes needed in regulations and procedures governing food aid transportation to enhance program delivery, maximize program efficiency, and improve transparency, including specifically reviewing the shipment schedules, and terms and conditions of governing contracts and freight solicitations.

#### *(3) Oversight, monitoring, and evaluation*

The House bill amends section 207(f) of the Food for Peace Act to allow up to 1.5 percent of the funds made available under this section to pay for program oversight, monitoring, and evaluation. It extends funding authority for the early warning assessments and systems to FY 2023 and eliminates requirement that matching funds come from Chapter 1, Part 1 of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.). (Section 3008)

The Senate Amendment amends section 207(f) of the Food for Peace Act to allow the Administrator to use to up 1.5 percent, but not less than \$17,000,000, of appropriated funds made available under this section for program oversight, monitoring, and evaluation. It extends funding authority for the early warning assessments and systems to FY 2023. (Section 3105)

The Conference substitute adopts the Senate provision with an amendment to eliminate the requirement that matching funds come from Chapter 1, Part 1 of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.). (Section 3107)

The Managers affirm the importance of the Famine Early Warning Systems

Network (FEWS NET) to effectively and efficiently respond to crises around the world. However, the U.S. Agency for International Development (USAID) should better utilize FEWS NET to provide advance information and inform interventions to mitigate the effects of drought in areas where livestock production is a critical source of food and income.

*(4) Assistance for stockpiling and rapid transportation, delivery, and distribution of shelf-stable prepackaged foods*

The House bill extends authority for the appropriation of funding for the program through FY 2023. It changes the name of the section to “International Food Relief Partnership” (Section 3009).

The Senate amendment amends section 208(f) of the Food for Peace Act to reauthorize funding for distribution of shelf-stable prepackaged foods. (Section 3106)

The Conference substitute adopts the House provision. (Section 3108)

*(5) Allowance of distribution costs*

The Senate amendment amends section 406(b)(6) of the Food for Peace Act to clarify allowable distribution costs, including a variety of activities for which costs were paid prior to FY 2017. (Section 3107)

The House bill has no comparable provision.

The Conference substitute incorporates the Senate provision with an amendment clarifying that the costs include distribution and program implementation costs to use the commodities provided under the Food for Peace Act. (Section 3110)

The Managers intend for the allowable uses of internal transportation, storage and handling (ITSH) funds authorized under section 406(b)(6) of the Food for Peace Act to include the types of activities for which costs were paid under such paragraph prior to fiscal year 2017. Such activities must be associated with the use of agricultural commodities. The Managers do not intend for the changes made by this provision to result in increased levels of annual ITSH spending as compared to the average annual ITSH spending levels in recent years by dollar value or as a percentage of overall Food for Peace funding.

*(6) Annual report regarding food aid programs and activities*

The House bill amends section 407(f) of the Food for Peace Act to allow the Administrator and Secretary of Agriculture to file annual reports relating to their respective food aid programs and activities, jointly or separately. It requires the Administrator and Secretary to notify Congress if their reports will be delayed and provide reasons for the delay. The bill requires a detailed account of the funds expended for the purposes of 202(e), 406(b)(6) and 407(c)(1)(B). Additionally, it restructures reporting requirements by moving requirements under section 403(m) of the Food for Peace Act, so they shall be included within the report required under section 407(f). It includes conforming repeal of section 403(m). (Section 3012)

The Senate amendment amends 407(f)(1)(A) of the Food for Peace Act to allow USAID Administrator and Secretary of Agriculture to file annual reports relating to their respective food aid programs and activities, jointly or separately. (Section 3109)

The Conference substitute adopts the House provision with an amendment to remove the provision requiring Congressional notification relating to reasons for delay in

production of the report. (Section 3112)

The Managers acknowledge information provided in the annual report regarding food assistance programs and activities is essential for Congressional and public oversight of these programs. The Managers expect the relevant agencies to cooperate to ensure that annual reporting of food assistance is provided either jointly or separately in a concise, transparent, and timely manner. Agencies should promptly publish data on food aid programs and activities as available, regardless of when full reporting requirements will be met.

*(7) Nonemergency Food Assistance*

The House bill amends section 412(e) of the Food for Peace Act to provide not less than \$365 million of the amounts made available to carry out Title II, nor more than 30% of such amounts to be expended for nonemergency food assistance programs for FY 2019 through FY 2023. It also amends section 412(e) to allow community development funds appropriated to carry out part I of the Foreign Assistance Act of 1961 that are made available through grants or cooperative agreements and that assist in implementing certain activities—income-generating community development, health, nutrition, cooperative development, agriculture, and other development—to be deemed to have been expended on nonemergency food assistance programs for the purposes of this section. (Section 3014)

The Senate amendment amends section 412(e) of the Food for Peace Act to provide not less than \$365 million of the amounts made available to carry out this title for nonemergency food assistance programs for fiscal years through FY 2023. It amends section 412(e) of the Food for Peace Act to allow funds expended under the Farmer-to-Farmer Program (section 501 of the Food for Peace Act) to be considered amounts expended for the nonemergency food assistance programs under section 412. The amendment also amends section 412(e) of the Food for Peace Act to allow funds expended through Part I of the Foreign Assistance Act of 1961 through grants or cooperative agreements and consistent with the goals of Title II, to be considered amounts expended for nonemergency food assistance programs under certain circumstances. (Section 3111)

The Conference substitute adopts the House provision with a modification to amend section 412(e) to allow funds expended under the Farmer-to-Farmer Program (section 501 of the Food for Peace Act) to be considered amounts expended for the nonemergency food assistance programs under section 412. (Section 3114)

The Managers emphasize the importance of nonemergency development assistance to strengthen resiliency and transition countries from food aid recipients to trading partners. The Managers authorize the Administrator to count Community Development Funds (CDF) toward the minimum level of nonemergency food assistance. The Managers support the use of CDF to complement Title II resources and expect that the Administrator will continue to use these funds to provide direct funding to Food for Peace Title II nonemergency programs through the Office of Food for Peace or its successor. The Managers further expect that any reduction in the use of commodities in non-emergency programs that result from the use of the CDF will be offset by additional commodities used in emergency food aid operations.

*(8) John Ognowski and Doug Bereuter Farmer-to-Farmer program*

The House bill amends section 501 of the Food for Peace Act to clarify that assistance provided under the program should be “technical” in nature. The bill amends section 501 of the Food for Peace Act to add retired extension staff of USDA as able to work in conjunction with agricultural producers and farm organizations on a voluntary basis. It also amends section 501 to expand the scope of issues the program can focus on to include selection of seed varieties and plant stocks, knowledge of insecticide and sanitation procedures to prevent crop destruction, use and maintenance of agricultural equipment and irrigation systems, and selection of fertilizers and methods of soils treatment. The bill further amends section 501 to encourage the fostering of investments in institutional capacity-building to allow for longer-term sequenced assignments to provide deeper engagement and greater continuity of projects. It extends authority for appropriations at existing levels for each of FY 2019 through FY 2023. It allows for funds used under this section to be counted toward the minimum level of non-emergency food assistance under 412(e). The bill adds the establishment of geographically defined crop yield metrics system, a public database to assess improvements in crop yields, and creates a new grant program to facilitate new and innovative partnerships and activities. It extends authority for appropriations at existing levels for each fiscal year FY 2019 through FY 2023. (Section 3016)

The Senate amendment amends section 501 of the Food for Peace Act to allow employees or staff of a State cooperative institution as defined by subparagraphs (A) through (D) of section 1404(18) of the National Agricultural Research Extension, and Teaching Policy Act of 1977 to volunteer for the purposes enumerated under section 501. It extends authority for minimum levels of assistance at existing levels for each fiscal year FY 2019 through FY 2023. The amendment extends authority for appropriations at existing levels for each fiscal year FY 2019 through FY 2023. (Section 3113)

The Conference substitute adopts the Senate provision with an amendment that clarifies that the nature of assistance should be “technical,” expands the scope of issues the program can focus on to include selection of seed varieties and plant stocks, knowledge of insecticide and sanitation procedures to prevent crop destruction, use and maintenance of agricultural equipment and irrigation systems, and selection of fertilizers and methods of soils treatment, and creates a new grant program to facilitate new and innovative partnerships and activities. (Section 3116)

The Managers support the United States’ work to advance food security in developing countries and open new markets for agricultural trade through programs that leverage the unique capabilities of Federal departments and agencies and that improve coordination between donors, beneficiaries, and the private sector. The Department of Agriculture (USDA) plays an important role in establishing trade between the United States and other nations and should enhance its role in facilitating the transfer of the knowledge, skills, and experience of American farmers, land grant universities, and extension services through the John Ogonowski and Doug Bereuter Farmer-To-Farmer Program.

The Managers intend for the Farmer-to-Farmer Program to foster appropriate investments in institutional capacity-building and allow longer-term and sequenced assignments and partnerships to provide deeper engagement and greater continuity on such projects.

*(9) Priority trade promotion, development, and assistance*

Section 3102(a) of the House bill amends section 205 of the Agricultural Trade Act of 1978 to create the International Market Development Program, a consolidation of the current Market Access Program (MAP), the Foreign Market Development (FMD), Technical Assistance for Specialty Crops (TASC), and the E Kika de la Garza programs. Section 3102(b) of the House bill amends section 211(c) to provide \$255 million in annual mandatory funding for the International Market Development Program, subject to the allocation of \$253.5 million as follows: MAP not less than \$200 million annually; FMD not less than \$34.5 million annually; E. (Kika) de la Garza Emerging Markets Program (EMP), not more than \$10 million annually; TASC not more than \$9 million annually; and the remaining unallocated balance of \$1.5 million per year will be available for the Secretary to make available for the MAP and/or FMD programs. Section 3102(c) of the bill repeals the current law authorizations for the MAP, FMD, TASC, and de la Garza programs. It also repeals section 1302 of the Omnibus Budget Reconciliation Act of 1993 to eliminate the suggested five-year limitation on promotion of a specific branded product in a single market, and other administrative guidelines. Section 3102(d) of the bill makes conforming amendments. (Section 3102)

The Senate amendment amends Title II of the Agricultural Trade Act of 1978 to add a new Subtitle C — Priority Trade Promotion, Development, and Assistance. It consolidates the MAP, FMD, de la Garza, and TASC programs under subtitle C. The Senate amendment provides a total of \$259.5 million in annual mandatory funding for the Priority Trade Promotion, Development, and Assistance program, subject to the allocation of \$253.5 million as follows: MAP not less than \$200 million annually; FMD not less than \$34.5 million annually; E (Kika) de la Garza Agricultural Fellowship Program not more than \$10 million annually; TASC not less than \$9 million annually; and the remaining balance of \$6 million annually will be available for use among the four programs, as determined by the Secretary under a new Priority Trade Fund. The Senate amendment repeals current law authorizations for the MAP, FMD, TASC and de la Garza programs, and makes several changes, including: clarifies definition of “emerging market” to include a “territory, customs union, or other economic market” in addition to the current law “country” for the de la Garza Fellowship Program; adds section 255(d) to the Agricultural Trade Act of 1978 to authorize the Secretary to provide assistance under TASC to a project for longer than a five-year period if the Secretary determines it would effectively support the purpose of the program; and section 226(d) authorizes the use of funds to carry out MAP and FMD in Cuba, consistent with directives under the National Security Presidential Memorandum of June 16, 2017 entitled “Strengthening the Policy of the United States Toward Cuba”, during the period in which that memorandum is in effect. (Section 3201)

The Conference substitute adopts the Senate provision with an amendment that consolidates the current MAP, FMD, TASC, and EMP programs under one Agricultural Trade Promotion and Facilitation section in the Agricultural Trade Act of 1978. The amendment provides a total of \$255 million in annual mandatory funding subject to allocation as follows: MAP not less than \$200 million annually; FMD not less than \$34.5 million annually; EMP not more than \$8 million annually; TASC at \$9 million annually; and the Priority Trade Fund at \$3.5 million annually to be distributed at the Secretary’s discretion. Further, the substitute repeals section 1302 of the Omnibus Budget Reconciliation Act of 1993 to eliminate the suggested five-year limitation on promotion for specific branded product in a single market. (Section 3201)



The Managers intend for the consolidation of the Market Access Program, the Foreign Market Development Cooperator Program, the Kika de la Garza Emerging Markets Program, and the Technical Assistance for Specialty Crops Program under one Agricultural Trade Promotion and Facilitation Program to establish permanent mandatory funding for agricultural trade promotion activities. The Managers intend to maintain the unique functions of each program.

The Managers recognize that specialty crops are uniquely challenged by sanitary and phytosanitary barriers and other non-tariff barriers to trade, including a lack of international harmonization for maximum residue levels (MRLs). While the Managers affirm the importance of TASC in addressing these barriers, they recognize that the TASC program has been underutilized in recent years. The Managers intend for the Secretary to consider and, as necessary, make reforms to streamline the application, approval, and compliance processes and requirements for eligible organizations, particularly for smaller grants and shorter-term or time-sensitive projects. The Managers direct USDA to have substantial, ongoing engagement with specialty crop stakeholders and the Committees in carrying out the requirements of this section to improve the program, including as USDA reviews program procedures and requirements and makes improvements to streamline and facilitate assistance.

The Managers recognize that expanding trade with Cuba not only represents an opportunity for American farmers and ranchers, but also a chance to improve engagement with the Cuban people in support of democratic ideas and human rights. They note that the June 2017 National Security Presidential Memorandum toward Cuba affirmatively supports the sale of United States agricultural commodities and does not impair or otherwise affect the authority otherwise granted by law to an executive department or agency. The Managers expect that the Secretary will work closely with eligible trade organizations to educate them about allowable activities to improve exports to Cuba under the Market Access and Foreign Market Development Cooperator Programs.

*(10) Food for Progress Act of 1985*

The House bill reauthorizes the section through FY 2023, and adds colleges and universities as defined by Section 1404(4) of the Food and Agriculture Act of 1977 (7 U.S.C. 3103(4)) as eligible entities to furnish commodities or provide financial assistance under this section. (Section 3204)

The Senate amendment reauthorizes the section through FY 2023 and clarifies that the Secretary retains the authority to administer the programs applicable to this section. It adds land grant colleges and universities as defined by Section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103) as eligible entities to furnish commodities or provide financial assistance under this section and clarifies that when providing humanitarian or developmental aid, "internal" transportation costs may be considered a covered expense. The section adds paragraph (5) at the end of subsection (1) to require a certain amount of assistance be provided in direct funds, in the amount of 30 percent of the funds of the "transportation cap", 30 percent of existing administrative funds, and \$26 million in funds of the Commodity Credit Corporation for each of FY 2019 through FY 2023, specified to be used to pay for any of the costs in paragraph (4). Additionally, the Senate amendment strikes existing "Requirements" and instructs the Secretary to issue regulations and revisions to agency guidance and procedures necessary to implement the amendments made to this section

within 270 days of enactment of this Act. The section instructs the Secretary to consult with the Committee on Agriculture and the Committee on Foreign Affairs of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate relating to agency regulations, guidance and procedures that are to be revised within 270 days of enactment of this Act. (Section 3301)

The Conference substitute adopts the House provision with an amendment requiring the Secretary to include information on the "rate of return" for a commodity in the annual report, and includes a section authorizing pilot agreements for FY 2019 through FY 2023 to directly provide financial assistance to eligible entities to cover the costs of activities consistent with the humanitarian and development purposes listed in (l)(4)(A). (Section 3302)

The Managers affirm the importance of Food for Progress in improving agricultural productivity and strengthening food security in developing countries by providing training and technical assistance to producers, developing extension services, increasing access to quality inputs, improving access to capital, and numerous other activities.

The Managers encourage the Secretary to use the pilot agreement authority to test and evaluate the effectiveness of directly providing funds to eligible entities to implement the same types of development activities that are typically funded by proceeds from monetization under this program.

*(11) Cochran emerging market fellowship program*

The House bill amends section 1543 of the Food, Agriculture, Conservation, and Trade Act of 1990 to clarify that the purpose of the fellowship includes enhancing trade linkages involving regulatory systems governing sanitary and phytosanitary standards for agricultural products, and permits study in foreign colleges or universities that have met certain criteria including having sufficient scientific and technical facilities, having an established partnership with at least one college or university in the United States, and having substantial participation by U.S. faculty in the design of the fellowship curriculum and classroom instruction under the fellowship. (Section 3206)

The Senate amendment amends section 1543 of the Food, Agriculture, Conservation, and Trade Act of 1990 to add to the purposes of the program the development of agricultural extension services and regulatory systems governing sanitary and phytosanitary standards for agricultural products. It increases the authorization of appropriations for the 3 country categories, respectively, to (1) \$4 million, (2) \$3 million, and (3) \$6 million. (Section 3304)

The Conference substitute adopts the Senate provision with an amendment that permits study in foreign colleges or universities that have sufficient scientific and technical facilities, have established a partnership with at least one college or university in the United States, and have substantial participation by U.S. faculty in the design of the fellowship curriculum and classroom instruction under the fellowship. (Section 3305)

The Managers intend to provide the Secretary discretion to improve program efficiency by permitting fellowships to occur at a college or university located outside the United States, subject to certain eligibility requirements, where appropriate. The Managers expect the Secretary to work closely with Congress in implementing this provision to ensure the original intent of the program is preserved.

*(12) Borlaug International Agricultural Science and Technology Fellowship Program – Developing country fellowship recipients*

The House bill amends section 1473G to add a new authorization for fellowship recipients from eligible developing countries to receive scientific training or study at a college or university outside of the United States, subject to specific criteria. It authorizes appropriations of \$6 million for the Borlaug fellowship program and requires that not less than \$2.8 million appropriated be used for participants from eligible foreign countries. (Section 3207)

The Senate amendment amends section 1473G to add the development of agricultural extension services in foreign countries to the purpose of the program. It requires the Secretary to encourage the ongoing engagement of prior fellowship recipients to contribute to new or ongoing agricultural development projects, with a priority for capacity-building projects. (Section 3305)

The Conference substitute adopts the Senate provision. (Section 3306)

*(13) Borlaug International Agricultural Science and Technology Fellowship Program – Proposed United States fellowships*

The House bill adds a new subsection (a)(3) to section 1473G of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 to establish a new program under which the Secretary shall provide U.S. citizens with fellowships, to assist eligible countries in developing school-based agriculture and youth extension programs. It requires that the new U.S. citizen fellowships develop globally minded U.S. agriculturists with experience living abroad, focus on meeting the food and fiber needs of eligible countries, and strengthen and enhance trade linkages between eligible countries and the U.S. agricultural industry. The section authorizes the Secretary to provide fellowships under subsection (a)(3) to U.S. citizens who hold at least a bachelor's degree in an agricultural related field of study and have an understanding of U.S. school-based agricultural education and youth extension programs. It requires the Secretary to consult with the National FFA Organization, the National 4-H Council, and other entities to identify candidates for fellowships. The section requires the Secretary to manage, coordinate, evaluate, and monitor the fellowship program, either directly or by contract with an outside organization with experience in implementing fellowship programs focused on building capacity for school-based agricultural education and youth extension programs in developing countries. (Section 3207)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment establishing the International Agricultural Education Fellowship Program in the Agriculture Improvement Act of 2018 as a new program separate from the Borlaug Fellowship Program, and authorizing appropriations for the program. (Section 3307)

The Managers recognize the importance of youth engagement in agricultural development and intend for these fellowships to provide valuable opportunities to young agriculturalists in eligible countries as well as international experience for emerging American agricultural leaders.

*(14) International food security technical assistance*

The Senate amendment amends the Food, Agriculture, Conservation, and Trade Act of 1990 by adding at the end of Title XV, a provision directing the Secretary to

compile and make available information on the improvement of international food security. It authorizes the Secretary to provide technical assistance to certain entities to implement programs for the improvement of international food security. (Section 3306)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 3308)

*(15) McGovern-Dole international food for education and child nutrition program*

The House bill amends the section by requiring, to the extent practicable, the assistance provided under this section coincide with the start of the school year and is available when needed throughout the relevant school year. It authorizes appropriations in the existing amount through FY 2023. (Section 3205)

The Senate amendment directs the Secretary of Agriculture to ensure that assistance provided under this section is provided in a timely manner and is made available when needed throughout the applicable school year. It authorizes appropriations in the existing amount through FY 2023. The section allows not more than 10% of available funds to be used for commodities produced in and procured from a developing country that is a recipient country or developing country within the same region of the recipient country and that meet nutritional, quality and labeling standards of the recipient countries, and allows funding to cover the associated costs of transporting those commodities. (Section 3307)

The Conference substitute adopts the Senate provision. (Section 3309)

The McGovern-Dole program has successfully addressed hunger and malnutrition, improved school attendance, and increased literacy and academic achievement for children around the world. The Managers expect the Secretary to use the new authority authorized in this provision to incorporate locally and regionally grown commodities into multi-year McGovern-Dole programs, particularly in the final years of a program, to support the transition to full local ownership and implementation.

The Managers strongly support the graduation of McGovern-Dole feeding programs, while also recognizing less-developed countries may need additional, longer-term assistance and should still be considered for inclusion in the program.

Additionally, the Managers encourage the Secretary to consider extending the length of a project if the Secretary determines that a project needs additional time to sustain the benefits and such an extension would support the overall purposes of the program.

*(16) Global Crop Diversity Trust*

The House bill amends the Food, Conservation, and Energy Act of 2008 to increase the authorized aggregate contribution of U.S. funds to the trust to 33% of the total funds contributed from all sources. It authorizes appropriations at existing levels through FY 2023. (Section 3208)

The Senate amendment reauthorizes section 3202 of the Food, Conservation, and Energy Act of 2008 maintaining the 25% contribution limit. It authorizes appropriations at existing levels through FY 2023. (Section 3308)

The Conference substitute adopts the House provision with an amendment increasing the authorized contribution to 33% of total funds contributed from all sources beginning in fiscal year 2019 and extending appropriations at existing levels through FY 2023, while limiting the annual contribution of funds to \$5,500,000 for each of FY 2019

through FY 2023. (Section 3310)

The Managers affirm the importance of the Global Crop Diversity Trust for ensuring the conservation and availability of genetic resources for food security worldwide, while recognizing the importance of other international agricultural research and development efforts including the Consultative Group for International Agricultural Research (CGIAR) and Feed the Future Innovation Labs.

The Managers applaud the Trust for having raised contributions of over \$367 million and concessional loans of more than \$60 million from sources other than the United States. The Managers expect the Trust to continue to secure substantial new contributions to the endowment from other donors.

*(17) Local and regional food aid procurement projects*

The House bill reauthorizes appropriations at existing levels through FY 2023. (Section 3201)

The Senate amendment amends section 3206(e)(1) of the Food, Conservation, and Energy Act of 2008 to include the "Secretary" as the proper entity to receive appropriations and reauthorizes appropriations at existing levels through FY 2023. (Section 3309)

The Conference substitute adopts the Senate provision. (Section 3311)

*(18) Foreign trade missions*

The Senate amendment directs the Secretary of Agriculture to support greater inclusion of Tribal agricultural and food products in trade-related activities. (Section 3310)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 3312)

*(19) Findings*

The House bill states the United States is the world's largest donor of international food assistance, American farmers are instrumental in providing commodities, and due to the efforts of the maritime industry and private organizations commodities have been delivered to millions of people around the globe. The section provides the United States should continue to use its agricultural productivity to promote foreign policy and enhance food security around the world. (Section 3001)

The Senate amendment contains no comparable provision.

The Conference substitute does not include the House provision.

The Managers recognize that the United States has long been the world's largest donor of international food assistance, and that American farmers have been instrumental in the success of United States international food assistance programs by providing an affordable, safe, and reliable source of nutritious agricultural commodities.

Furthermore, the Managers commend the efforts of the United States maritime industry and private voluntary organizations in delivering U.S. agricultural commodities to millions of people in need around the globe.

*(20) Labeling requirements*

The House bill amends section 202(g) of Food for Peace to require agricultural commodities and other assistance provided under this title, to the extent practicable, to be



clearly identified as being furnished by the people of the United States. The section provides in the case of other assistance, that the identification take place on other printed material accompanying the assistance. (Section 3002)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 3101)

The Managers intend for the Administrator of USAID to continue to use discretion in applying this requirement in situations where labeling assistance furnished by the United States could result in safety or security concerns.

*(21) Issuance of regulations*

The House bill amends section 207(c)(1) of the Food for Peace Act to strike "the Agricultural Act of 2014" and inserts the "Agriculture Improvement Act of 2018" to require regulations be issued within 270 days of enactment. (Section 3007)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 3106)

*(22) Consideration of impact of provision of agricultural commodities and other assistance on local farmers and economy*

The House bill amends section 403 of the Food for Peace Act by adding "food procured outside of the United States, food vouchers, or cash transfers for food" to the list of types of assistance subject to market impact analysis prior to being provided to a recipient country. It amends the section to clarify that consideration of storage facilities is only necessary where the provision of an agricultural commodity is at issue. It amends the section to include the distribution of "agricultural commodity or use of the food procured outside of the United States, food vouchers, or cash transfers of food" as considerations in the calculation of whether a substantial disincentive to, or interference with, domestic production or marketing in that country will take place if that specific type of assistance is provided. The section requires that in addition to commodities, the Secretary or Administrator shall ensure that "food procured outside of the United States, food vouchers, and cash transfers for food" will not have a disruptive impact on the farmers or the local economy within the recipient country. (Section 3010)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 3109)

*(23) Findings*

The House bill states that U.S. export programs increase demand for U.S. agriculture products in foreign markets, acknowledges that, comparatively, global competitors are outspending the U.S. on export programs, and that preservation and streamlining of the U.S. export market programs is consistent with USDA reorganization efforts focusing on increasing U.S. agricultural trade across the globe. (Section 3101)

The Senate amendment contains no comparable provision.

The Conference substitute does not include the House provision.

United States trade promotion programs leverage federal dollars to significantly bolster demand in foreign markets for United States agricultural products, which increases agricultural export volume and overall net farm income. At the same time, our global competitors continue to provide substantially more public support for export promotion than is provided to our own agricultural exporters. Thus, the Managers



underscore the critical importance of maintaining support for U.S. agricultural trade promotion efforts.

Finally, the Managers note the preservation and streamlining of United States international market development programs complements the recent reorganization within USDA by ensuring the newly established Under Secretary for Trade and Foreign Agricultural Affairs has the tools necessary to enhance the competitiveness of the United States agricultural industry on the global stage.

*(24) Growing American Food Exports Act of 2018*

The House bill amends section 1543A of the Food, Agriculture, Conservation, and Trade Act of 1990 to assist with the removal of nontariff and other trade barriers to U.S. agricultural products produced with biotechnology and other agricultural technologies. It removes the restriction of section 102 of such Act relating to the definition of agricultural commodities and states that "policy advocacy and targeted projects" should address issues relating to U.S. Agricultural commodities produced with the use of biotechnology or new agricultural technologies, advocacy for science based regulation in foreign markets of biotechnology or new agricultural production technologies, and quick-response intervention regarding non-tariff barriers to United States exports produced through biotechnology or new agricultural production technologies. (Section 3209)

The Senate amendment contains no comparable provision.

The Conference substitute modifies the House provision by expanding the existing program to cover projects to address quick response interventions involving U.S. agricultural commodities produced through new agricultural production technologies and authorizes appropriations of \$2,000,000 for each of FY 2019 through FY 2023. (Section 3301)

**Additional Report Language**

Bill Emerson Humanitarian Trust (Sec 3020)

The Managers affirm the importance of the Bill Emerson Humanitarian Trust as a reserve to meet unanticipated emergency food assistance needs and are concerned that the Trust has not been utilized since 2014 despite unprecedented food assistance needs in recent years and the continued risk of famine in multiple countries. The Managers note that the Trust, which currently holds over \$280 million, can be used to purchase U.S. commodities to assist in averting an emergency, responding to an emergency, and for recovery and rehabilitation after an emergency. They urge USAID and USDA to consider the Trust as a significant resource to meet those objectives.

## Title IV – Nutrition

### *(1) Definition of certification period*

The Senate amendment amends section 3 of the Food and Nutrition Act of 2008 (FNA) to allow a State agency to extend the supplemental nutrition assistance program (SNAP) certification period for elderly and disabled households who have no earned income at the time of certification to up to 36 months. (Section 4101)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate provision.

### *(2) Food distribution program on Indian reservations*

The House bill amends section 4(b) of the FNA by reauthorizing the Traditional and Locally-Grown Food Fund in the Food Distribution Program on Indian Reservations (FDPIR), adding the concept of regionally grown food, eliminating the requirement to conduct a survey of traditional foods, and authorizing funds made available to carry out FDPIR to remain available for obligation for a period of 2 fiscal years. (Section 4005)

The Senate amendment authorizes an 80 percent floor for the Federal share of administrative costs and authorizes funds made available to carry out FDPIR to remain available for obligation by the State agency or tribe for 2 fiscal years. The Senate amendment also establishes a demonstration project for one or more tribal organizations to enter into a self-determination contract to purchase agricultural commodities for FDPIR. (Section 4102)

The Conference substitute adopts the House provision with amendments to authorize an 80 percent floor for the Federal share of administrative costs, to specify that funds made available to carry out FDPIR remain available for obligation by the State agency or tribe for 2 fiscal years, and to establish a demonstration project for one or more tribal organizations to enter into a self-determination contract to purchase agricultural commodities for FDPIR. (Section 4003)

The Managers intend for tribal organizations to have an increased role in procuring and distributing more locally, regionally and tribal produced foods under FDPIR. The Managers encourage the Secretary of Agriculture to work with the Secretary of the Interior and with Indian tribes to establish and determine the process and criteria under which tribal organizations may participate in demonstration projects to purchase agricultural commodities under FDPIR. The Managers also encourage the Secretary of Agriculture to consult with the Secretary of the Interior regarding the familiarity with self-determination contracts and with the capacity of tribal organizations to successfully administer a demonstration project.

### *(3) Work requirements for supplemental nutrition assistance program*

The House bill amends the FNA by creating a single work requirement in section 6(d) that requires SNAP household members age 18 to 59 to work, participate in employment and training or a work program, or any combination of work, participation in employment and training or a work program with a minimum of 20 hours per week in fiscal years 2021 through 2025 and 25 hours per week in fiscal year 2026 and each fiscal year thereafter. The House bill strikes the existing general work requirement in section 6(d)(1) and the existing able-bodied adult without dependents (ABAWD) work requirement in section 6(o). The House bill limits the criteria that States may use to

request a geographic waiver of the work requirement, including requiring the approval of the State's chief executive officer, makes changes to the "15-percent" exemption criteria, and decreases the "15-percent" exemption to 12-percent starting in fiscal year 2026.

The House bill amends section 6(d)(4) of the FNA to require States to offer minimum services in employment and training so that every covered individual may meet the new work requirements; adds case management to the definition of an "employment and training program" (E&T program); and includes supervised job search programs, apprenticeships, subsidized employment, family literacy, and financial literacy as allowable components of E&T programs.

Furthermore, the House bill amends section 16(h) of the FNA to provide funds for E&T at \$90 million for fiscal year 2019, \$250 million for fiscal year 2020, and \$1 billion for each fiscal year thereafter. The allocation of E&T funding is based on current law for fiscal year 2019 and 2020, but for fiscal year 2021, and each fiscal year thereafter, the allocation of E&T funds is based on the new work requirements in 6(d)(1)(B). The House bill strikes the reallocation authority and requires the return of unused E&T funds to the Treasury. The House bill also increases the minimum allocation of E&T funds from \$50,000 to \$100,000. (Section 4015)

The Senate amendment retains the SNAP work requirements under current law but consolidates those work requirements in the FNA by moving the ABAWD work requirement from section 6(o) to section 6(d)(2). Section 6(d)(4) is amended to require a State agency consult with the state workforce development board, private employers or organizations in designing its E&T program and to require that its E&T program meet state or local workforce needs. The Senate amendment adds a new requirement that an E&T program containing a job search component contain at least 1 additional component, and expands the definition of an E&T program to include any E&T pilot activities under 16(h)(1)(F) that are determined effective at increasing employment or earnings for participants. The Senate bill also authorizes workforce partnerships, which are programs operated by private employers or non-profits that would provide participants with at least 20 hours per week of training, work, or experience. The Senate amendment requires the State agency to refer individuals determined to be ill-suited for an E&T component to an appropriate E&T component or workforce partnership, to reassess the mental and physical fitness of the individual, or to the maximum extent practicable, to coordinate with other programs to identify work opportunities or assistance for the individual.

The Senate amendment amends section 16(h) to authorize additional funds for E&T pilot projects, \$92.5 million for each of fiscal years 2019 and 2020, to remain available until expended. The Senate bill authorizes 8 or more additional pilot projects, prioritizing projects that target certain individuals, including those over age 50; formerly incarcerated individuals; those in substance abuse treatment; and homeless, disabled, and other individuals with significant barriers to employment; and projects that are integrated and family-focused in providing supportive services. The Senate amendment also adds an option for states to report data from workforce partnerships and includes new reporting requirements to ensure that the E&T components are responsive to State or local workforce needs. (Section 4103)

The Conference substitute adopts the House provision with amendments. The amendments retain the general work requirement and ABAWD work requirement in current law; strike modifications to the criteria that States may use to request a

geographic waiver of the work requirement; specify that the State's request for a geographic waiver have the support of the State's chief executive officer; strike the changes to the "15-percent" exemption criteria; and decrease the "15-percent" exemption to 12-percent starting in fiscal year 2020.

The amendments require State agency consultation with the state workforce development board or private employers or organizations in designing its E&T program and for the E&T program to meet state or local workforce needs. Additionally, the amendments expand the definition of an E&T program to include supervised job search programs, apprenticeships, subsidized employment, and any E&T pilot activities under section 16(h)(1)(F) that are determined effective at increasing employment or earnings for participants. The amendments also authorize workforce partnerships operated by private employers or non-profits that would provide participants with at least 20 hours per week of training, work, or experience. The amendments require the State agency to refer individuals who have been determined to be ill-suited to an E&T component to an appropriate E&T component or workforce partnership, to reassess the mental and physical fitness of the individual, or to coordinate with other programs to identify work opportunities or assistance for the individual. The amendments also add an option for States to report data from workforce partnerships.

The Conference substitute provides for an increase in funding for E&T under section 16(h)(1) of the FNA from \$90 million to \$103.9 million for each fiscal year and prioritizes the reallocation of unused E&T funding in the following manner: not less than 50 percent for E&T programs and activities currently being piloted under section 16(h)(1)(F) that have the most demonstrable impact on the ability of participants to find and retain employment; not less than 30 percent for E&T programs and activities under section 6(d)(4)(B)(i) that have the most demonstrable impact on the ability of participants to find and retain employment and that are targeted to those 50 years of age or over; formerly incarcerated individuals; those in substance abuse treatment; homeless, disabled, and other individuals with significant barriers to employment; and households facing multi-generational poverty; and any remaining funds for E&T programs and activities under section 6(d)(4)(B)(i) that have the most demonstrable impact on the ability of participants to find and retain employment. (Section 4005)

The Managers acknowledge that neither the Department nor Congress can enumerate every ABAWD's situation as it relates to possible exemption from the time limit, and subsequently, the work requirement. States will maintain the ability to exempt up to 12% of their SNAP population subject to ABAWD work requirements, down from 15%, and continue to accrue exemptions and retain any carryover exemptions from previous years, consistent with current law. These exemptions are meant to excuse individuals who need short-term reprieve from requirements or for those specific populations the State determines should be excluded.

The Managers also acknowledge that waivers from the ABAWD time limit are necessary in times of recession and in areas with labor surpluses or higher rates of unemployment. The Managers intend to maintain the practice that bestows authority on the State agency responsible for administering SNAP to determine when and how waiver requests for ABAWDs are submitted. In response to concerns that have been raised by some Members that State agencies have not fully communicated to the chief executive their intent to request a waiver under section 6(o), the Managers have included a provision to encourage communication between the State agency and the chief executive

officer of the State. The Managers agree that State agencies should have the support of these officials in their application for waiver, ensuring maximum State coordination. It is not the Managers' intent that USDA undertake any new rulemaking in order to facilitate support for requests from State agencies, nor should the language result in any additional paperwork or administrative steps under the waiver process.

The Managers recognize the importance of E&T as a means to improve SNAP participants' ability to gain and retain employment and reduce reliance on public assistance. The Managers expect USDA and State agencies to review and bolster the quality and accountability of State E&T programs for SNAP participants.

The Managers revamped current E&T programming to include evidence-based components that have proven to assist individuals in obtaining education credentials, and gaining and retaining employment. Case management, including, but not limited to, comprehensive intake assessments, individualized service plans, progress monitoring, or coordination with service providers, is now a required component of all State E&T programs. This is neither meant to be an impediment to the State nor the individual. States should have options as to how to best serve their participants and ensure there is an increased level of engagement and accountability for both the State and individual. The Managers expect such case management activities by State agencies to be included in State plan reporting requirements under section 11(e) of the FNA. Additionally, the Managers agreed to allow supervised job search programs, subsidized employment, and apprenticeships as additional E&T components. The Managers note that unsupervised job search may be a subsidiary component for the purposes of meeting a work requirement, only as long as such component is less than half the requirement. The Managers also encourage States to establish a process for referral or reassessment of individuals subject to an E&T requirement who were determined to be ill-suited to the E&T component to which they had been referred.

The Managers expect State agencies to engage SNAP households, specifically those without earned income at their point of recertification, to be aware of and promote participation in available E&T options. The Managers acknowledge that earnings have the potential to significantly improve the economic stability of households without earned income, and expect States to leverage every opportunity to provide households with a pathway forward.

The Managers encourage USDA and State agencies to continue pursuing effective methods for SNAP participants to attain sustainable employment. To encourage continued innovation by State agencies and incentivize result-driven activities, the Managers amended the process for reallocation of unused E&T funds to go toward State programs and activities that have demonstrated success in participants finding and retaining employment and reducing reliance on public assistance. The Managers intend for the reallocated funds to fund programs developed by the pilots authorized under the Agricultural Act of 2014, new E&T activities, and programs that build upon effective E&T components. The Managers encourage USDA to continually prioritize projects and activities that focus on certain populations facing employment barriers, such as those older than 50 years old; formerly incarcerated, disabled, or homeless individuals; and those recovering from substance abuse. USDA should also prioritize projects with family-focused approaches. The Managers intend to focus these reallocated resources on programs and activities that are most effective, as measured by independent evaluations, and that demonstrate upfront how these activities are sustainable and can be transitioned



into or adopted as part of currently allowable employment and training components.

The Managers included Department of Labor and Department of Veterans Affairs E&T programs as part of the programs eligible to satisfy the SNAP work requirement, in order to provide additional options to SNAP participants and encourage coordination among federal E&T programs.

The Managers also encourage State E&T programs to increase coordination with State Workforce Innovation and Opportunity Act (WIOA) workforce boards and local employers when establishing and evaluating programs to increase program accountability and maximize the ability for SNAP participants to meet any work requirements. The Managers strongly encourage State agencies to engage and seek input from local employers when designing and selecting E&T programs to ensure the skills being offered are those that are needed and match the local workforce needs.

The Managers expect workforce partnerships (WFPs) to serve as an option for individuals to fulfill work requirements under SNAP. The Managers intend for WFPs to provide a non-government option for E&T programming, through nonprofit or private organizations to supplement—not supplant—Federal and State E&T programs for SNAP participants.

The Managers intend to allow private employers, organizations of private employers, or non-profit organizations that provide quality, work-relevant skills, training, or experience to qualify as a WFP, which will fulfill work or training requirements for SNAP participants.

While enrollment by SNAP participants is voluntary, the Managers expect participation in WFPs to fulfill either mandatory or voluntary work requirements. WFPs are intended to allow businesses to provide more industry-specific training or soft skills workforce preparation for individuals. WFPs are also intended to allow non-profit organizations that provide quality, work-related training to qualify as E&T programs.

The Managers expect that an organization may establish or have an ongoing training program certified as a WFP by a State or USDA if the program:

- (A) provides work-related training or experience of 20 or more hours per week;
- (B) will serve as a reference for the participant fulfilling work requirements or for future employment; and
- (C) is otherwise following applicable employment and labor laws.

Once certified, a WFP's reporting should be limited to notifying a State agency when a SNAP participant enters or leaves the program or is no longer meeting the program's requirements. While State agencies may refer applicants to a WFP, a WFP should be allowed to maintain an independent application and screening process.

The Managers intend for WFP providers to be allowed to receive grants or funding through other sources and partner with non-profit organizations, community or technical colleges, a consortium of private employers, or industry and trade associations.

#### *(4) Improvements to electronic benefit transfer system*

The House bill amends section 7(h)(2) of the FNA to require the Secretary to review and modify regulations related to evolving electronic benefit transfer (EBT) technology and to develop standards using risk-based measures to maximize the security, ease of use, and effectiveness of the technology. (Section 4016)

The House bill amends section 7(h)(14) by requiring that before the Secretary authorizes use of mobile technologies to access SNAP benefits in all States, the Secretary



shall approve no more than five demonstration projects that will pilot the use of mobile technologies, while maintaining recipient protections and access. (Section 4017).

The House bill amends section 7(h)(13) to prohibit States, and agents, contractors, and subcontractors of the State from imposing fees for switching or routing EBT transactions. (Section 4018)

The House bill amends section 7(d) of the FNA to expand the entities over which the Secretary shall implement controls related to the delivery of benefits. Section 9(c) is amended to authorize the Secretary to require that applicant retailers submit contracts for EBT services and equipment and records necessary to validate the FNS authorization number to accept and redeem benefits. (Section 4022)

The House bill amends section 7(h)(8) of the FNA to require the head of household to review program rights and responsibilities after two or more lost cards in a 12-month period. (Section 4019)

Finally, the House bill amends section 7(h)(12) to: (1) require a State to establish a procedure for the recovery of benefits due to the death of all members of the household; (2) modify the time period for benefit storage from 6 months to 3 months for inactivity; and (3) modify the time period for expunging benefits from 12 months to 6 months or upon verification all members of the household are deceased. (Section 4020)

The Senate amendment: (1) amends section 7(h) by inserting a new authority regarding prohibited fees, effective through fiscal year 2022; (2) adds a new authority to section 7(f) to allow a farmers market or direct marketing farmer to operate a point of sale device at more than one location if certain requirements are met; (3) directs GAO to study the state EBT systems and evaluate fees, outages, emerging entities and technologies, and entities that participate in the EBT system, and submit findings to Congress; (4) requires the Secretary to conduct a review of EBT systems and issue guidance or regulation based on the findings of the GAO study and the Secretary's review; and (5) allows the Secretary to require applicant retailers to submit EBT equipment information and requires that the Secretary also consider information about the ability of an applicant retailer's EBT equipment and service provider to provide sufficient EBT data to minimize fraudulent transactions. (Section 4104)

The Conference substitute adopts the House provision with amendments (1) prohibiting the imposition of fees for switching and routing EBT transactions through fiscal year 2023; (2) striking the House expansion of the parties for which the Secretary shall implement controls over related to the delivery of benefits; (3) striking the House requirement that the head of household review program rights and responsibilities after two or more lost cards in a 12-month period; (4) allowing a farmers market or direct marketing farmer to operate a point of sale device at more than one location if certain requirements are met; (5) allowing the Secretary to require applicant retailers to submit EBT equipment information; (6) requiring that the Secretary consider information about the ability of an applicant retailer's EBT equipment and service provider to provide sufficient EBT data to minimize fraudulent transactions; and (7) making other technical changes. (Section 4006)

The Managers recognize that the acceptance of SNAP benefits at farmers markets has increased participants' access to fresh, healthy food while improving sales for local farmers. In 2017, over \$22.4 million in SNAP benefits were redeemed by farmers markets or direct marketing farmers. While this represents a significant expansion over previous years, these transactions remain a small percentage of total SNAP transactions.

A persistent challenge to increasing SNAP acceptance at farmers markets has been the cost and availability of wireless EBT point-of-sale equipment. This barrier has been compounded by the recent announcement that a major provider of mobile EBT technology plans to discontinue service. The Managers direct the Secretary to take appropriate action to ensure that EBT service is not disrupted and SNAP customers maintain the ability to use their benefits at farmers markets.

Another challenge is the requirement for each farmers market location to obtain its own EBT authorization and equipment, even if the locations are operated and managed by a single organization. The Managers intend for the Secretary to allow a farmers market or direct-marketing farmer to operate an individual point-of-sale device at more than one location under the same SNAP authorization, while maintaining appropriate safeguards to ensure program integrity.

The Managers are aware that some State-contracted EBT processors are charging switching or routing fees in connection with the routing of SNAP benefits. These fees require retailers and/or those routing transactions on behalf of retailers (often referred to as third party processors) to pay for switching or routing EBT transactions to the State EBT processor that handles the client EBT account. These fees may seek to offset artificially low cost-per-case-month fees that are bid as part of State contracts, and therefore, adversely affect competition among existing or new EBT processors. So, for the next five years, in the interest of maintaining competitiveness for EBT transaction routing, the Managers extend existing statutory prohibitions against the charging of fees by State-contracted EBT processors in connection with the redemption of SNAP benefits to include the charging of gateway switching or routing fees to SNAP authorized retailers or their third party processors. This five-year prohibition will provide interim certainty while allowing stakeholders to coordinate and find practical compromise.

The Managers recognize USDA has existing authority to review State EBT systems, as well as fees, outages, emerging entities and technologies, and the participating entities within the EBT system. The Managers also understand the Secretary has begun a feasibility study related to a potential national gateway system. In addition to the gateway study, the Managers strongly encourage the Secretary to review other components within the EBT system, including, but not limited to, security, use of innovative technology, and improved monitoring.

The marketplace continues to develop innovative technologies, such as third-party mobile applications, which can assist SNAP participants with managing their benefits. The Managers encourage USDA to use existing authority to review the effectiveness of third-party mobile applications for SNAP EBT cards and to inform States on how to ensure these new technologies have a secure system in place to protect personal account information; do not sell, distribute or make available personal account information for commercial marketing purposes; and that participants have consistent access to information that would otherwise be made available to that household member.

Although the Managers agreed to reduce the time limit before benefits are stored and expunged, the intent is for SNAP participants to be provided appropriate opportunity to restore benefits after they have been stored and before they are expunged. Further, when determining whether clients have used their benefits within the required timeframes, the Managers direct States to track account activity using the “first in, first out” method.

*(5) Requirements for online acceptance of benefits*

The House bill amends section 3(o)(1) of the FNA to include online entities within the definition of retail food store. It also amends section 7(k) to strike the required report to Congress and require the nationwide implementation of the online acceptance of benefits post-pilot. (Section 4021)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 4001)

The Managers recognize the importance of modernizing SNAP to improve the efficiency of the program through online redemption of benefits. While the online pilots at USDA have yet to begin, in spite of the deadline established by the Agricultural Act of 2014, the Managers encourage the Secretary to promptly implement those pilots and adopt online acceptance nationwide following completion of such pilots. In order to expedite nationwide implementation, the Managers agreed to remove the reporting requirement from the online pilots. The Managers expect USDA to continue to incorporate appropriate protections and monitoring to ensure program integrity.

*(6) National gateway*

The House bill requires the Secretary to create a national gateway through which to route all SNAP EBT transactions. Prior to implementing the national gateway in all States, the Secretary is required to conduct a feasibility study. The House bill authorizes \$10.5 million for fiscal year 2019 and \$9.5 million for each of fiscal years 2020 through 2023, and requires benefit issuers and third-party processors to pay fees, proportionate to the number of transactions and operating costs, to the gateway operator. (Section 4022)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(7) Supplemental nutrition assistance program benefit transfer transaction data report*

The House bill amends section 9 of the FNA by authorizing the Secretary to collect a statistically significant sample of SNAP retailer transaction data, including the cost and description of food purchased with SNAP, to the extent practicable. The House bill also exempts certain transaction data from the Freedom of Information Act disclosure requirements. (Section 4026)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(8) Required action on data match information*

The Senate amendment requires State agencies to contact the household to clarify or verify, if applicable, certain information relating to household circumstances received from data matches for the purpose of ensuring an accurate eligibility and benefit determination. (Section 4106)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 4009)

Procedures for required action on data matches have been established through regulation at 7 CFR 273.12(c)(3). The Managers do not intend for the Department to change or reconsider this regulation. Rather, this provision is intended to codify existing regulation and make a conforming change to address the establishment of the National Accuracy Clearinghouse.

*(9) Transitional benefits*

The House bill requires State agencies to provide transitional SNAP benefits to households that cease to receive cash assistance through TANF or to households with children that cease to receive cash assistance through a State-funded public assistance program, for 5 months after the date on which cash assistance is terminated. (Section 4024)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(10) Incentivizing technology modernization*

The House bill modifies the eligibility for grants under section 11(t) to limit grants to projects to develop and implement SNAP simplified application and eligibility determination systems. (Section 4025)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment making technical changes. (Section 4010)

*(11) Interstate data matching to prevent multiple issuances*

The House bill requires an interstate database or system of databases to prevent participants from receiving duplicative benefits in multiple States, and includes state data collection and requirements to submit uniform data to USDA, including for each member of a participating household: social security number, employment status, amount of income, the member's portion of the household monthly allotment, and portion of household assets attributed to that member. (Section 4001)

The Senate amendment requires data matching through an interstate data system to prevent simultaneous issuance of benefits to an individual by more than one State. (Section 4109)

The Conference substitute adopts the House provision with amendments that include parts of the Senate amendment to protect participant privacy and that make technical changes. (Section 4011)

The amendments also modify the House provision that requires state data collection by instead requiring the Secretary to approve the establishment of longitudinal databases for research purposes that include, if available, household demographic characteristics, income and financial resources, employment status, household circumstances such as deductible expenses, and the monthly SNAP allotment amount, while protecting participant privacy. To award grants to States to establish and maintain the longitudinal databases, the Secretary is provided \$20 million for fiscal year 2019 to remain available through fiscal year 2021 and \$5 million for fiscal year 2022 and each fiscal year thereafter. (Section 4015)

The Managers intend to build upon the successful pilot program authorized under the Agricultural Act of 2014 to prevent duplicate, simultaneous receipt of SNAP benefits in two or more States. The Managers recognize that certification in more than one State is frequently due to a household moving between States and the State failing to properly close or adjust benefits as a result of household relocation, not a household committing fraud. The Managers expect the expansion of the National Accuracy Clearinghouse will create efficiencies in the process by which States address this issue. However, the

Managers do not intend for this data matching to impede access to SNAP or delay certification of eligible households. The Managers provide discretion to the Secretary to determine the most effective system and vendor(s) to carry out this section. The Managers expect State agencies to participate in and take action on data matching that indicates multiple benefit issuances, consistent with required action on data match information (Section 4009) in the conference substitute agreement.

The Managers intend for longitudinal databases to better assess households' participation in SNAP and SNAP program operations, and to improve SNAP program design and effectiveness. The Managers intend for the creation of State-based longitudinal databases to improve research on participation in the program, including duration of participation in SNAP. Longitudinal data can serve as an important measurement of program impact and success, and can be used by States and the Secretary to improve program administration. This provision directs the Secretary to establish a database framework to maximize potential consistency among States and, in addition to administrative cost share, incentivize States to develop and maintain databases through grant allocation. The Managers recognize that State computer systems and certification processes may vary between States and some variations will need to be accommodated.

The Managers also ask that, to the maximum extent practicable, States strive to include all households in the datasets. While ensuring minimal burden on States and program participants is paramount, robust sets of data are important in informing future policy. However, this is not intended to preclude the funding of longitudinal databases in States that are not able to include all households or participants within the State. The Managers expect that all States that have an interest in creating a database will be given an opportunity to participate, even if the State is not able to include all SNAP households or faces higher data management costs due to population size. The Managers intend for longitudinal databases to be established on the initiative of the State, and encourage States that establish longitudinal databases to do so in a thoughtful, deliberate manner, with adequate consideration of potential data uses and needed security practices.

The Managers expect the Secretary to direct and States to ensure personally identifiable information is not used or stored in longitudinal databases of SNAP participants. Further, the Managers urge the Secretary to adopt the highest practical privacy and data security standards for any approved data to be used in any longitudinal database storage systems operated by States or using Department funds. The Managers encourage the Department to consult with other Federal agencies, such as the Census Bureau and the Treasury Department about how those agencies have protected the identity of individuals whose information is contained in Federal databases.

The Secretary should allow for the sharing of aggregated information not including personally identifiable information by States from a longitudinal database to researchers who are qualified and have the capacity to protect such data. However, the Managers intend for the data stored in longitudinal databases to be subject to neither Federal nor State Freedom of Information Act requests.

The Managers do not intend for this section to restrict States that have already or will in the future establish their own longitudinal databases in accordance with other provisions of the Food and Nutrition Act of 2008. Further, the Managers encourage the Secretary and States establishing new longitudinal databases to utilize the lessons learned by States that have already established longitudinal databases.



*(12) Income verification*

The Senate amendment requires pilot projects in up to 8 states to test strategies to improve the accuracy or efficiency of the income verification process, and fund projects at \$10 million total. (Section 4107)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate provision.

*(13) Retail incentives*

The House bill amends the FNA to establish a pilot project through which authorized retail food stores may provide bonuses to participating SNAP households based on household purchases of fruits, vegetables, and fluid milk. Retail food stores participating in the pilot project may be reimbursed in an amount not to exceed 25 percent of the dollar value of bonuses earned by households and used to purchase SNAP-eligible foods. The House bill provides the Secretary with not more than \$120 million each fiscal year for such reimbursements. (Section 4002)

The Senate amendment amends section 9 of the FNA to direct the Secretary to promulgate regulations to clarify the process by which retailers may seek a waiver to offer an incentive for the purchase of certain foods recommended for increased consumption by the Dietary Guidelines for Americans. (Section 4105)

The Senate amendment also amends section 17 of the FNA to establish pilot projects to increase the purchase of fluid milk in a manner consistent with the Dietary Guidelines for Americans, and authorizes appropriations of \$20 million to remain available until expended. (Section 4108)

The Conference substitute adopts the House provision with amendments to strike (1) the reimbursement to retail food stores participating in pilot projects for not more than 25 percent of the dollar value of bonuses earned by household and used to purchase SNAP-eligible food and (2) the \$120 million funding authority. The amendments authorize fluid milk incentive projects to increase the purchase of fluid milk; specify that the Secretary shall issue guidance to clarify the process by which retail food stores may seek waivers to offer an incentive for the purchase of fruits, vegetables, whole grains, or dairy (or products thereof) that are staple foods identified for increased consumption consistent with the most recent dietary recommendations; and make other technical changes. (Sections 4008 and 4208)

The Managers recognize the necessity of the public-private partnership between USDA and retail food stores to implement SNAP, and encourage retailers to offer incentives for the purchase of fruits, vegetables, whole grains, and dairy staple foods with SNAP benefits. While the Managers understand that USDA currently allows retail food stores to offer incentives under a waiver, the waiver requests are not widely understood or utilized. The Managers encourage USDA to develop a more formal process to engage a variety of retailers, and provide incentive options to a broader SNAP population. This provision is not intended to permit retailers to waive any other aspects of SNAP equal treatment.

*(14) Adjustment to percentage of recovered funds retained by states*

The House bill amends section 16(a) of the FNA to allow States to retain 50 percent of recovered funds, instead of 35 percent, and limits the use of such funds to



carrying out SNAP, including technology investments, improvements in administration and distribution, and fraud prevention. (Section 4027)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(15) Quality control*

The House bill amends section 11(a)(3) of the FNA to require that State agencies provide the Secretary with access to entire state information systems containing SNAP-related records for inspection and audit, subject to data and security protocols agreed to by the State agency and Secretary. The provision amends section 16(c) to require State agencies to provide the Secretary with the records and access to the entire information systems in which such records are contained necessary to determine the State's payment error rate. The House bill also amends section 16(g) to add to the list of criteria for receiving federal administrative cost-share for the planning, design, development, installation, and operation of state information systems, a requirement that the Secretary be provided with access to the entirety of such system. (Section 4023)

The Senate amendment is substantially similar to the House bill, but without the requirement that data and security protocols be agreed to by the State agency and Secretary, without the amendment to section 16(c) to require access to entire information systems necessary to determine the State's payment error rate, and with technical differences. (Section 4110)

The Conference substitute adopts the House provision with amendments making technical changes. (Section 4013(a), (c), and (e))

The Managers recognize the oversight and administration problems with the quality control (QC) process identified over the last several years, both at the Federal and State level, which resulted in a multi-year gap in publication of SNAP error rates. The Managers acknowledge the Office of Inspector General audit of the Food and Nutrition Service (FNS) and State QC processes for fiscal year 2011 and fiscal year 2012, as well as the subsequent Department of Justice investigation of the use of a third-party contractor in 20 States.

The Managers recognize the updates and improvements to the QC process made by FNS through clarified guidance, corrective action plans with States, and the publication of a fiscal year 2017 error rate. The Managers intend to reinforce these efforts to obtain statistically-valid data, and intend for States to cooperate in the QC process by making data available to FNS when requested.

The federal government has a responsibility to evaluate SNAP for program improvement, program access and program integrity. In order to do so, USDA needs sufficient access, in accordance with agreements with States, to State systems and records. In particular, this allows for more transparency and a greater ability to detect and reduce errors and fraud. The Managers direct USDA to access records and information systems and, as appropriate, to better manage the program in this regard.

*(16) Quality control*

The House bill amends section 16(c) of the FNA by reducing the tolerance level for payment errors from \$37 to \$0 and by changing the criteria for when the State is held liable for its payment error rates. (Section 4028)

The House bill amends section 16(d) by eliminating the \$48 million performance bonuses beginning in fiscal year 2019 while retaining requirements regarding performance criteria including actions taken to correct payment errors, reduce error rates, and improve eligibility determinations. (Section 4029)

The Senate amendment amends section 16(c) by providing authority regarding quality control system integrity, including directing the Secretary to issue interim final regulations within 180 days and requiring the Secretary to debar any person who knowingly submits or causes to be submitted false information to the Secretary. The Senate amendment also requires that starting for fiscal year 2018 performance, \$48 million in performance bonuses be reduced to \$6 million for each fiscal year for application processing timeliness. (Section 4110)

The Conference substitute adopts the House provision with amendments that strike the changes to the tolerance level for payment error, that strike the changes to when States are held liable for payment error rates, that include authority regarding quality control system integrity, that specifies performance bonuses are eliminated starting for fiscal year 2018 performance, and that make other technical changes. (Section 4013(b) and (d))

The Managers also recognize the role that performance bonuses have historically played in motivating States to pursue low error rates, but acknowledge that some States have implemented problematic practices in recent years. As a result, the Managers chose to eliminate bonuses awarded based on error rates. States will continue to be held responsible for administering SNAP, and legally bound to processing applications in a timely manner, ensuring households receive the accurate amount of SNAP benefits, and making certain the program is administered in the most effective and efficient manner. The Managers intend State performance indicators to include case and procedural error rates (CAPERs) and metrics on timeliness of application processing and program access.

*(17) Requirement of live-production environments for certain pilot projects relating to cost sharing for computerization*

The Senate amendment amends section 16 of the FNA to require that State agencies test the automatic data processing and information retrieval systems in a live production environment prior to implementation. (Section 4111)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 4012)

The Managers intend to provide cost-sharing funds for State agencies to test changes to state SNAP systems through the use of “live” pilots and receive approval from the Secretary prior to fully implementing changes to state SNAP systems. The Managers intend for this testing and approval to address concerns with recent cases of State agencies adopting changes or implementing integrated eligibility systems that have resulted in errors in benefits issuances.

*(18) Public-private partnerships*

The House bill amends section 17 of the FNA to allow the Secretary to conduct pilot projects to support public-private partnerships that address food insecurity and poverty, and authorizes appropriations of \$5 million to carry out such projects (Section 4030)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with amendments to require an independent evaluation of the public-private partnership pilot projects and to make other technical changes. (Section 4021)

SNAP, by design, is a partnership between public and private entities, with the goal of reducing food insecurity. The Secretary may permit not more than 10 eligible entities to carry out pilot projects that support these necessary cooperative arrangements. The Managers agree that any and all of these pilots must address food insecurity and poverty by improving the coordination of programs that promote independence, develop contextualized solutions to poverty, and strengthen the capacity for regions/communities to address and mitigate food insecurity and poverty. Additionally, the Managers expect independent evaluations of these projects to ensure a robust and impartial assessment of activities, best practices, and overall effectiveness of the pilots.

*(19) Assistance for community food projects*

The Senate amendment provides \$5 million for fiscal year 2019 and each fiscal year thereafter for Community Food Projects. (Section 4113)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 4017)

*(20) Nutrition education state plans*

The House bill amends section 28 of the FNA: (1) to require that the Secretary, acting through the Director of the National Institute of Food and Agriculture (NIFA), in consultation with the FNS Administrator, implement a nutrition education and obesity prevention program; (2) to provide annual funding to 1862 and 1890 institutions to deliver nutrition education services that, to the extent practicable, provide for the employment and training of professional and paraprofessional aides to engage in direct nutrition education, and to partner with other public and private entities to optimize program delivery; (3) to allow State agencies to use SNAP 50/50 administrative funds to prepare state plans on nutrition education and to notify eligible participants about the availability of the program; (4) to increase mandatory funding for the program to \$485 million beginning in fiscal year 2019, indexed to inflation; (5) to allow for reallocation of unexpended funds to other eligible institutions during the fiscal year or subsequent fiscal year; (6) to authorize additional appropriations for the program of \$65 million for each of fiscal years 2019 through 2023; (7) to update the allocation of funds so that, beginning in fiscal year 2019, funds are allocated based solely on States' SNAP populations; and (8) to limit administrative costs for eligible institutions to 10 percent.

The House provision also amends section 18 to reflect the repeal of the Expanded Food and Nutrition Education Program (EFNEP) by section 7110 of the House bill. (Section 4033)

The Senate amendment: (1) requires that the state plan describe how the State agency will use an electronic reporting system to evaluate SNAP-Ed projects; (2) requires increased coordination with the expanded food and nutrition education program and additional consultation with the Director of NIFA; and (3) requires the State agency to submit an annual evaluation report. (Section 4114)

The Conference substitute adopts the Senate provision with amendments to (1) require that the electronic reporting system used to evaluate SNAP-Ed projects also be

used to account for State agency administrative costs; (2) establish an information clearinghouse to share best practices ensuring that SNAP-Ed projects are appropriate for the target population; (3) require the Secretary to provide technical assistance to State agencies in developing and implementing a SNAP-Ed state plan; (4) require an annual State report to the Secretary; (5) require an annual federal report to Congress that includes an evaluation of the level of coordination between SNAP-Ed, EFNEP, and other USDA nutrition education programs; and (6) make other technical changes. (Section 4019)

The Managers recognize the importance of offering nutrition education, especially in conjunction with SNAP benefits. The Managers also recognize the role of partner organizations who implement nutrition education programs. The Managers note that SNAP-Ed programs are not evaluated in a standardized manner across States or partner organizations. However, the Managers expect both States and partner organizations to make improvements to the evaluation process of their SNAP-Ed programs and to leverage evaluation results to deliver nutrition education in the most effective manner. When appropriate, partners are encouraged to share longitudinal data, especially for multiyear projects. The Managers intend for States to use the Information Clearinghouse to share best practices in planning, implementing, and evaluating SNAP-Ed programs. The Managers encourage nonprofit partners to work with research-capable organizations to improve program evaluations.

The Managers recognize the role of land grant colleges and universities in implementing, evaluating, and improving nutrition education, whether through SNAP-Ed or EFNEP. The Managers expect those implementing SNAP-Ed and EFNEP to coordinate programming, as appropriate, to efficiently serve target populations without duplicating efforts.

The Managers also expect that States provide an accounting of allowable State agency administrative costs. This is necessary to ensure all program funds are used in the most appropriate manner and that beneficiaries of nutrition education receive the most effective programming and services. The Managers expect USDA to work with States to provide appropriate aggregated data in a way that does not increase the administrative burden related to reporting.

*(21) Emergency food assistance*

The House bill amends section 27 of the FNA by increasing the Emergency Food Assistance Program (TEFAP) entitlement commodity funding. The House bill extends funding authority at \$250 million per year, adjusted for Thrifty Food Plan (TFP) changes, through fiscal year 2023, in addition to \$60 million in funds starting in fiscal year 2019, the total of which is adjusted by changes from the June 2018 TFP in subsequent fiscal years. The House bill also establishes a Farm-to-Food-Bank fund, which authorizes \$20 million to be distributed to States to procure, or to enter into agreements with food banks to procure, excess fresh fruits and vegetables grown in the State or surrounding region to be provided to eligible recipient agencies under section 201A(3) of the Emergency Food Assistance Act of 1983. (Section 4032)

The Senate amendment increases the TEFAP entitlement commodity funding by extending funding authority at \$250 million per year, adjusted for TFP changes, through fiscal year 2023, added to the following: for fiscal year 2019, \$23 million and for each of

fiscal years 2020 through 2023, \$35 million. Funding for fiscal year 2024 and each subsequent fiscal year will be indexed from the fiscal year 2023 funding level.

The Senate amendment amends the Emergency Food Assistance Act of 1983 to provide \$4 million per year in mandatory funding through fiscal year 2023 for State agencies to partner with emergency feeding organizations to establish projects to harvest, process, or package unharvested, unprocessed, or unpackaged commodities that are donated by agricultural producers, processors, or distributors and to pay for up to 50 percent of the cost of such projects. It also provides emergency feeding organizations and eligible recipient agencies the opportunity to provide input on the commodity needs and preferences of those entities. Additionally, the Senate amendment requires the Secretary to issue guidance outlining best practices to minimize food waste of donated commodities and reauthorizes TEFAP infrastructure funding through fiscal year 2023. (Section 4115)

The Conference substitute adopts the Senate provision with an amendment specifying that projects to harvest, process, or package unharvested, unprocessed, or unpackaged donated commodities also include the transportation of such commodities. (Section 4018)

The Managers support State efforts to channel unused, raw agricultural commodities or food from commercial sources into food donations and to minimize food waste in the food donation process. The Managers intend for funding provided for such efforts to be used to convert raw commodities, unprocessed foods, or other foods that are not in a consumable or shelf-stable form to be used or stored by emergency feeding organizations. The funds for such projects are not intended to be used for food or commodity purchases, since such funds are already provided through separate funding for TEFAP. The Managers intend for any funds provided for transportation under subsection (d) to be used to support a project under this subsection, not for transportation related to other activities within TEFAP.

The Managers expect the guidance to include best practices to minimize food waste within the procurement, processing, and distribution of food donations to State agencies and emergency feeding organizations.

The Managers encourage State agencies to engage stakeholders, including emergency feeding organizations and eligible recipient agencies, in the development of the State plan, especially when determining selection of USDA commodities, in order to best meet State and local needs.

*(22) Retail food store and recipient trafficking*

The House bill amends section 29 of the FNA by extending to fiscal year 2023 the authorization of appropriations for tracking and preventing SNAP trafficking using data mining technologies. (Section 4034)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 4020)

*(23) Technical and conforming amendments*

The House bill provides technical corrections. (Section 4035)

The Senate amendment provides technical corrections. (Section 4116)

The Conference substitute adopts the House provision. (Section 4022)

*(24) Re-evaluation of thrifty food plan*



The House bill amends section 3(u) of the FNA to, by 2022, and at five-year intervals, require a re-evaluation and publication of the TFP based on current food prices, food composition data, and consumption patterns. (Section 4004)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment specifying that the re-evaluation of the TFP also be based on dietary guidance. (Section 4002)

SNAP benefits are based on USDA calculations of the cost of food. However, SNAP benefits can become out-of-date based on inconsistent review of the TFP. The Managers require that the TFP be re-evaluated every five years to ensure it reflects current eating habits of Americans, including patterns of food preparation, and the items most often purchased by consumers.

*(25) Update to categorical eligibility*

The House bill amends section 5(a) and 5(j) of the FNA such that categorical eligibility may only be used in instances where a beneficiary is receiving either cash assistance or ongoing and substantial services such as transportation, childcare, counseling, or other services funded under part A of title IV of the Social Security Act with an income eligibility limit of not more than 130 percent (200 percent for elderly or disabled) of the poverty line. (Section 4006)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(26) Basic allowance for housing*

The House bill amends section 5(d) of the FNA to exclude up to \$500 of a housing allowance received under section 403 of title 37 of the United States Code from the calculation of income when determining SNAP eligibility, and amends section 5(e)(6)(A) of the FNA so a household that receives an allowance under section 403 of title 37 of the United States Code can only claim expenses in excess of that allowance when determining the household's expenses for the excess shelter deduction. (Section 4007)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(27) Earned income deduction*

The House bill amends section 5(e)(2)(B) of the FNA to increase from 20 to 22, the percentage of a household's earned income that may be deducted for purposes of calculating income when determining SNAP eligibility. (Section 4008)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(28) Simplified homeless housing costs*

The House bill amends section 5(e)(6)(D) of the FNA to require that States provide a simplified homeless housing deduction of \$143, adjusted for inflation, for homeless households who are not receiving free housing during the month and not claiming an excess shelter expense deduction under section 5(e)(6)(A). (Section 4009)

The Senate amendment contains no comparable provision.



The Conference substitute adopts the House provision. (Section 4004)

In order to ensure equal treatment across States, the Managers agree that homeless households that are not receiving free shelter throughout the month should receive a standardized deduction of \$143.

*(29) Availability of standard utility allowances based on receipt of energy assistance*

The House bill amends section 5(e)(6)(C) of the FNA by limiting the availability of the standard utility allowance for heating and cooling costs to those households consisting of an elderly or disabled member and amends section 5(k)(4) of the FNA so that third party energy assistance payments are considered money payable directly to households without an elderly or disabled member for purposes of calculating exclusions to income, and are no longer considered out-of-pocket expenses for such households for determination of the excess shelter expense deduction. (Section 4010)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(30) Child support; cooperation with child support agencies*

The House bill amends section 5(e) of the FNA by striking the State option to provide a deduction from income for child support payments, therefore requiring all States to provide an exclusion for child support payments. It amends sections 6(l) and 6(m) of the FNA, striking the State option to require child support cooperation for custodial and noncustodial parents, thus requiring cooperation. The House bill also strikes section 6(n), eliminating the State option to disqualify SNAP participants for child support arrears, thus not allowing States the option to disqualify SNAP participants for child support arrears. (Section 4011)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with amendments to strike the changes to the State options in section 5(e) and sections 6(l) through 6(n) and to require that the Secretary conduct an independent evaluation that includes, among other things: (1) an assessment of the impact of the eligibility requirements in sections 6(l) through (n) in States that have formerly implemented or continue to implement those requirements, and of the feasibility of implementing those requirements in other States; (2) an assessment of the factors that contributed to the decision of States that formerly implemented those requirements to cease such implementation; and (3) a review of alternatives to those requirements that are used by other States to assist SNAP participants to make or receive child support payments and the effectiveness of such alternatives. (Section 4014)

The Managers agreed to include an evaluation of child support enforcement cooperation requirements. The Managers intend for this study to evaluate a representative sample of States of the types indicated in subparagraph (A), including those that have implemented, those that formerly implemented, and those that have not implemented State options on eligibility related to child support enforcement. The Managers also intend for USDA to assess the impact of mandatory child support cooperation on food security, including reviewing relevant data about individuals who choose not to participate in SNAP due to mandated child support cooperation.

*(31) Adjustment to asset limitations*

The House bill amends section 5(g)(1) of the FNA by increasing from \$2,000 to \$7,000 the maximum allowable value of assets for participating households, and from \$3,000 to \$12,000 for households including an elderly or disabled member, and adjusts such values for inflation for each fiscal year starting on October 1, 2019. (Section 4012)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(32) Updated vehicle allowance*

The House bill amends section 5(g) of the FNA to require all States to exclude \$12,000 (adjusted annually for inflation) of the value of one vehicle per licensed driver from household asset calculations, and strikes the alternative vehicle allowance. (Section 4013)

The Senate bill contains no comparable provision.

The Conference substitute deletes the House provision.

*(33) Savings excluded from assets*

The House bill amends section 5(g) of the FNA to exclude up to \$2,000 (adjusted annually for inflation) in savings from household assets in determining SNAP eligibility. (Section 4014)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(34) Implementation funds*

The House bill provides \$150 million under section 18(a) of the FNA for fiscal year 2019 to remain available until expended to implement the amendments made by subtitle A of Title IV of the House bill. (Section 4036)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(35) Multivitamin-mineral dietary supplements eligible for purchase with supplemental nutrition assistance benefits*

The House bill amends section 3(k) of the FNA to allow certain “multivitamin-mineral dietary supplements” to qualify as a food item that may be purchased with SNAP benefits. (Section 4037)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(36) Review of supplemental nutrition assistance program operations*

The House bill amends section 9 of the FNA by adding a new subsection to require the Secretary to review and report on a representative sample of certain types of authorized group-living facilities to determine whether SNAP benefits are properly being used by households residing in such facilities and requiring reports to Congress within 3 years. The House bill also specifies that nothing in section 9 authorizes the Secretary to deny an application for authorization, including continued authorization, or a request to withdraw the authorization of such group-living facilities based on a determination that the residents of those facilities are residents of an institution prior to the submission of the report or 3 years after the date of enactment, whichever is earlier. (Section 4038)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with amendments that make technical changes and specify that nothing in the new subsection authorizes the Secretary to deny an application for authorization, including continued authorization, or a request to withdraw the authorization of such group-living facilities based on a determination that the residents of those facilities are residents of an institution prior to 18 months after the date of enactment. (Section 4007)

The Managers expect the Secretary to review and conduct oversight of authorized facilities to prevent the issuance of duplicative benefits for food and ensure program integrity of SNAP. In addition, the Managers intend for the Secretary to review the procurement of benefits on behalf of SNAP eligible individuals by residential drug and alcohol treatment facilities, and conduct oversight as necessary.

*(37) Disqualification of certain convicted felons*

The House bill amends section 6 of the FNA to disqualify certain convicted felons from participating in SNAP. (Section 4039)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(38) Determination of amount of block grant payable to Puerto Rico*

The House bill requires the Secretary to study the feasibility and impact of using a TFP exclusive to Puerto Rico in calculating the amount of the block grant for Puerto Rico, and authorizes such sums as necessary to be appropriated to carry out the study. (Section 4040)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(39) Service of traditional foods in public facilities*

The House bill amends section 4033 of the Agricultural Act of 2014 to expand the public facilities eligible for the service of traditional foods under that section. (Section 4041)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment to amend 4033(d)(1) of the Agricultural Act of 2014 to limit the liability of States, counties or county equivalents, local education agencies, and other entities authorized to facilitate the donation, storage, preparation, or serving of traditional food. (Section 4203)

The Managers intend to update the liability protection for the donation or serving of traditional foods to include States, counties or county equivalents, local educational agencies, entities, and persons authorized by the operator of a food service program.

*(40) Extension of study on comparable access to supplemental nutrition assistance for Puerto Rico*

The House bill amends section 4142 of the Food, Conservation, and Energy Act of 2008 to renew an authorization for a study on the feasibility of including the Commonwealth of Puerto Rico in the SNAP program, in lieu of providing Puerto Rico with a block grant. (Section 4042)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(41) Administrative flexibility for States*

The House bill amends section 11(e)(6)(B) of the FNA to allow, at the option of the State agency, non-State agency employees to undertake certification or carry out any other function of the State agency under SNAP. (Section 4043)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

The Managers determined, after reviewing USDA's December 2017 guidance, that certification and eligibility functions must be performed by public, merit system employees. The Managers encourage the Secretary to consult with States about the efficiency and effectiveness of SNAP certification systems and believe States should continue to improve customer service through methods that neither affect privacy nor eligibility determinations. The Managers determined a statutory change to this system was unwarranted. However, the Managers encourage the Secretary to continue to work with States to find the appropriate balance to protect SNAP integrity and access and address requests for flexibility through the existing process in a timely fashion.

*(42) Commodity supplemental food program*

The House bill authorizes a minimum certification period of one year, which at the request of the State, can be extended based on certain criteria. (Section 4103)

The Senate amendment authorizes a certification period of not less than one year, and subject to the approval of the Secretary, a certification period of more than 1 year, but not more than 3 years, and temporary certification. (Section 4202)

The Conference substitute adopts the Senate provision with an amendment making technical changes. (Section 4102)

The Managers understand the importance of providing nutritious food to low-income seniors. The Managers intend to extend the certification period to up to three years for seniors, with an annual contact to confirm continued eligibility information and interest in the program. The Managers also intend to allow temporary certification of an individual for the Commodity Supplemental Food Program. The Managers made these changes to reduce administrative burden for participants and implementers, and to make the most efficient use of program funds.

*(43) Health food financing initiative*

The House bill amends the authorization of appropriations by striking "until expended" and instead authorizing the funds to remain available until Oct. 1, 2023. (Section 4203)

The Senate amendment authorizes "enterprises" for program loans, grants and funding projects and limits eligibility to projects that accept SNAP benefits, as applicable. (Section 12409)

The Conference substitute adopts the Senate provision. (Section 4204)

The Managers recognize that access to healthy food may require a variety of retail settings in some areas, particularly in rural areas and Tribal communities. To encompass a broader variety of Healthy Food Financing Initiative (HFFI) projects that will increase the supply of and demand for healthy foods in underserved communities, the bill expands eligible projects to include healthy food enterprises. These enterprises could include food

hubs, mobile markets, direct to consumer markets, or food business incubators. As healthy food enterprises do not necessarily involve the direct sale of food to low-income consumers, the Managers intend to clarify that direct acceptance of SNAP benefits should be required if applicable to the project's structure. The Managers also seek to clarify that HFFI should provide equal consideration to projects regardless of whether they intend to serve an urban or a rural community.

*(44) The Gus Schumacher food insecurity nutrition incentive*

The House bill amends section 4405 of the Food, Conservation, and Energy Act of 2008 by (1) renaming the program the Gus Schumacher Food Insecurity Nutrition Incentive Program; (2) limiting program incentives to financial incentives; (3) striking the independent evaluation requirement and requiring instead that projects have adequate plans to collect data for reporting and agree to participate in a program evaluation; (4) updating program priorities to include, among other priorities, prioritizing projects that coordinate with multiple stakeholders; and (5) requiring the Secretary to consult with the Director of NIFA to establish a training, evaluation, and information center for use by program grantees and for generating an annual report to Congress on grant outcomes based on program data from grantees.

The House bill authorizes mandatory funds at \$45 million for fiscal year 2019, \$50 million for fiscal year 2020, \$55 million for fiscal year 2021, \$60 million for fiscal year 2022, and \$65 million for fiscal year 2023 and each fiscal year thereafter. Of the mandatory funds made available, the House provision provides the training, evaluation, and information center \$2 million for each of fiscal years 2019 and 2020, and \$1 million each fiscal year thereafter. (Section 4003)

The Senate amendment amends section 4405 by (1) renaming the program the Gus Schumacher Food Insecurity Nutrition Incentive; (2) making certain definition changes, including amending the definition of "supplemental nutrition assistance program" to include programs for nutrition assistance under section 19 of the FNA; (3) specifying that grantees may partner with or make subgrants to public, private, nonprofit, or for-profit entities; (4) providing authority to the Secretary to allow a tribal agency to use certain types of federal funds for the non-federal program match; (5) requiring that projects must increase the purchase of fruits and vegetables by SNAP participants by providing an incentive for the purchase of fruits and vegetables at the point of purchase to a household purchasing food with SNAP benefits, and that projects (excepting those receiving \$100,000 or less) measure the purchase of fruits and vegetables by SNAP participants; (6) striking the independent evaluation requirement and requiring projects have adequate plans to collect data for reporting and share information with the Training and Technical Assistance Centers and Information and Evaluation Centers; (7) updating program priorities; (8) authorizing Training and Technical Assistance Centers to assist grantees and subgrantees, including entities applying for a grant or subgrant; and (9) authorizing Information and Evaluation Centers to collect program data and prepare an annual report with project outcomes to submit to the Secretary.

The Senate amendment authorizes \$50 million of mandatory funds for fiscal year 2019 and each fiscal year thereafter. Of the mandatory funds made available, the Senate provision authorizes a cost cap of 15 percent for carrying out the Training and Technical Assistance Centers and the Information and Evaluation Centers and program administrative costs. (Section 4303)



The Conference substitute adopts the House provision with amendments that (1) rename the program “The Gus Schumacher Nutrition Incentive Program”; (2) make certain definition changes, including amending the definition of “supplemental nutrition assistance program” to include programs for nutrition assistance under section 19 of the FNA; (3) specify that grantees may partner with or make subgrants to public, private, nonprofit, or for-profit entities; (4) provide authority to the Secretary to allow a tribal agency to use certain types of federal funds for the non-federal program match; (5) strike the limitation of program incentives to financial incentives, and require instead that projects must increase purchase of fruits and vegetables by SNAP participants by providing an incentive for the purchase of fruits and vegetables at point of purchase to a household purchasing food with SNAP benefits, and that projects (excepting those receiving \$100,000 or less over 1 year) measure the purchase of fruits and vegetables by SNAP participants; (6) strike the independent evaluation requirement and require that projects have adequate plans to collect data for reporting and share information with the Nutrition Incentive Program Training, Technical Assistance, Evaluation, and Information Centers; (7) require the Secretary to consult with the Director of NIFA to establish 1 or more Nutrition Incentive Program Training, Technical Assistance, Evaluation, and Information Centers to assist grantees and applicants, and to collect project data and generate an annual report with grant outcomes to submit to Congress; (8) establish a produce prescription program to improve dietary health through increased consumption of fruits and vegetables; (9) provide mandatory funding of \$45,000,000 for fiscal year 2019, \$48,000,000 for each of fiscal years 2020 and 2021, \$53,000,000 for fiscal year 2022, and \$56,000,000 for fiscal year 2023 and each fiscal year thereafter; (10) set a cost cap of \$17,000,000 total for fiscal years 2019 and 2020 and \$7,000,000 for fiscal years 2021 through 2023 for the Nutrition Incentive Program Training, Technical Assistance, Evaluation, and Information Centers; and (11) of the annual funding provided for fiscal years 2019 through 2023, limit funds to not more than 10 percent for produce prescriptions and 8 percent for administration. (Section 4205)

The Managers note the success of the Food Insecurity Nutrition Incentive (FINI) program established by the Agricultural Act of 2014. Building on that success, the Managers establish permanent funding and authority for FINI. This section also establishes one or more training, evaluation, and information centers to provide information and support as FINI continues to expand.

The Managers believe it is important that information and results of FINI-funded programs be made available to Congress, USDA agencies, researchers, grantees and the public. Collecting information should not, however, be duplicative or place such an administrative burden on grantees that it interferes with their ability to effectively implement SNAP produce incentive programs. The Managers intend for the Information and Evaluation Center/s to collect standard data from FINI grantees, facilitate grantees' production of NIFA annual reports, and create a website on which program information is easily searchable. This should be done in a manner that also protects the privacy of SNAP participants and retail food stores. The Managers encourage the Secretary to consult with past FINI program managers on the data to collect, collection instruments, and website design.

The Managers also intend for the Training and Technical Assistance (T&TA) Center/s to develop best practices and ensure that information and supportive services are available to all regions and types of communities, including areas that are geographically



remote or lack strong public or private institutional infrastructure upon which grantees can rely for technical support.

The Managers are aware that software and point of sale equipment to facilitate incentive transactions can be costly. The Managers encourage T&TA Center/s to cooperate with FNS and grocery, farm, and electronic payment groups to develop or adapt existing systems/technology and make options available to current and future FINI grantees.

The Managers also agree the FINI and Produce Prescription should be renamed the Gus Schumacher Nutrition Incentive Program, in recognition of Mr. Schumacher's role in the establishment of nutrition incentives nationwide. Mr. Schumacher was a magnificent advocate for farmers and families and saw the importance in building access and affordability through incentive programs.

*(45) Harvesting health pilot projects*

The Senate amendment provides \$4 million of mandatory funds for each fiscal year 2019 through 2023 to establish a pilot project for nonprofit organizations or State or local agencies to partner with healthcare providers to prescribe fresh fruits and vegetables or provide to certain low-income individuals that suffer from, or are at-risk of developing a diet-related health conditions. (Section 4304)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with amendments to (1) establish a produce prescription program instead of a pilot project; (2) require eligible entities participating in the produce prescription program to agree to share information with the Nutrition Incentive Program Training, Technical Assistance, Evaluation, and Information Centers; (3) allow not more than 10 percent of funds made available for the Gus Schumacher Nutrition Incentive Program to carry out the produce prescription program; (4) make technical changes; and (5) incorporate language for this provision into a single section as part of the Gus Schumacher Nutrition Incentive Program. (Section 4205)

Previously, produce prescription projects have been eligible for funding through the FINI program. While similar in concept, these programs are often different in implementation and goals. The Managers chose to establish a separate produce prescription program with dedicated funding to increase coordination with the healthcare community and better evaluate the impact of these types of projects on dietary health, food security, and health care use and costs. Because produce prescription programs do not always require a purchase, the Managers do not intend that the procedure established by the Secretary to screen and verify eligibility for members to participate in a prescription project will require that a healthcare partner verify that an individual has an active SNAP balance.

*(46) Amendments to the fruit and vegetable program*

The House bill amends section 19 of the Richard B. Russell National School Lunch Act to provide grants to purchase all forms (fresh, canned, dried, frozen, or pureed) of fruit and vegetable snacks. (Section 4204)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(47) Review and revision of certain nutrition regulations*

The House bill requires the Secretary to review certain nutrition final regulations published by the Department of Agriculture, and revise and finalize new regulations that are based on research specific to school-age children, do not have additional costs beyond reimbursements required by current law, and maintain healthy meals for students. (Section 4205)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(48) Study of marketplace fraud of traditional foods and tribal seeds*

The Senate amendment requires the Comptroller General of the United States to conduct a study on the impact of fraudulent foods that mimic traditional foods or Tribal seeds that are available in the commercial marketplace. (Section 12518)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate provision.

*(49) Food donation standards*

The Senate amendment amends the Emergency Food Assistance Act of 1983 to require the Secretary to issue guidance to promote awareness of food donations protected under section 22(c) of the Child Nutrition Act of 1966. (Section 12615)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 4104)

The Managers expect the Secretary to provide guidance and stakeholder outreach to increase donations of unused food from retail food stores, restaurants, caterers, and foodservice facilities who may need additional guidance regarding the types of foods that may be donated and covered under liability protections provided under the Bill Emerson Good Samaritan Food Donation Act.

*(50) Micro-grants for food security*

The Senate amendment amends the Food, Conservation, and Energy Act of 2008 to require the Secretary to distribute funds to Alaska, Hawaii, American Samoa, Northern Mariana Islands, Puerto Rico, Micronesia, Guam, Marshall Islands, Palau, and U.S. Virgin Islands for the purpose of providing subgrants to eligible entities to promote small-scale gardening, herding, and livestock operations. (Section 12616)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment making technical changes. (Section 4206)

The Managers intend for this program to operate as a funding-match program, but provide discretion on the level of matching to the Secretary for eligible entities who may not be financially capable of providing such matching requirements.

*(51) Buy American requirements*

The Senate Amendment requires the Secretary to enforce compliance of the Buy American provisions applicable to domestic food assistance programs administered by FNS, including for the purchase of fish or fish products. (Section 12622)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment

specifying that the Secretary shall enforce full compliance with the requirements of section 12(n) of the Richard B. Russell National School Lunch Act for purchases of agricultural commodities including fish, meats, vegetables, and fruits, and the products thereof, and making technical changes. (Section 4207)

The Managers encourage USDA to ensure State agencies and school food authorities are fully aware of their respective responsibilities to enforce Buy American requirements in accordance with section 12(n) of the Richard B. Russell National School Lunch Act, 42 U.S.C. 1760(n), and to submit to Congress a report that demonstrates the actions the Secretary has taken to increase awareness of and compliance with Buy American requirements.

## Title V – Credit

### *(1) Modification of the 3-Year Experience Requirement for Purposes of Eligibility for Farm Ownership Loans*

The House bill amends section 302(b) of the Consolidated Farm and Rural Development Act to authorize the reduction of the 3-year experience requirement for qualified beginning farmers or ranchers to: (1) 2 years if the farmer has certain educational, management, or mentor-based experience, or was honorably discharged from the armed forces of the United States; (2) 1 year if the farmer or rancher has military leadership or management experience from having completed an acceptable military leadership course; and (3) waive the requirement with certain combinations of experiences in items (1) and (2). (Section 5101)

The Senate amendment amends section 302(b) to authorize the Secretary to: (1) reduce the 3-year experience requirement to 2 years or less if the farmer or rancher has certain farm labor or mentor-based experience; and (2) waive the requirement if the farmer or rancher has 1 year of management responsibilities as a hired farm laborer and has a mentor relationship with a farmer in an approved program. (Section 5101)

The Conference substitute adopts the House provision with an amendment. The conference substitute amends section 302(b) to provide the Secretary of Agriculture with authority to reduce the 3-year experience requirement for qualified beginning farmers or ranchers to 1 or 2 years if the farmer or rancher has met specified education, business, management, loan repayment, or experience requirements; or to waive the 3-year requirement altogether if the farmer or rancher has at least 1 year of experience as hired farm labor with substantial management responsibilities and a specified established mentee relationship. (Section 5101)

### *(2) Conservation Loan and Loan Guarantee*

The House bill amends section 304(h) of the Consolidated Farm and Rural Development Act to: (1) extend the authorization of appropriations for the program to 2023; and (2) reduce the authorization level from \$150,000,000 to \$75,000,000. (Section 5102)

The Senate amendment amends section 304(h) to extend the authorization of appropriations to 2023. (Section 5102)

The Conference substitute adopts the Senate provision. (Section 5102)

### *(3) Farm Ownership Loan Limits*

The House bill amends section 305(a) of the Consolidated Farm and Rural Development Act to: (1) increase the indebtedness limit for guaranteed ownership loans from \$700,000 to \$1,750,000; and (2) change the baseline date for the inflation adjuster from 2000 to 2019. (Section 5103)

The Senate amendment amends section 305 to increase the indebtedness limit for: (1) direct ownership loans from \$300,000 to \$600,000 for FYs 2019 through 2023; and (2) guaranteed ownership loans from \$700,000 to \$1,750,000 for FYs 2019 through 2023. The Senate amendment bill also strikes the increase in the guaranteed ownership loan limit based on an inflation adjuster. (Section 5103)

The Conference substitute adopts the Senate provision with an amendment to continue and clarify the application of the inflation adjuster. (Section 5103)

*(4) Limitations on Amounts of Operating Loans*

The House bill amends section 313(a)(1) of the Consolidated Farm and Rural Development Act to increase the indebtedness limit for guaranteed operating loans from \$700,000 to \$1,750,000 and to change the baseline date for the inflation adjuster from 2000 to 2019. (Section 5201)

The Senate amendment amends section 313(a)(1) to increase the indebtedness limit for direct operating loans from \$300,000 to \$400,000 for FYs 2019 through 2023 and for guaranteed operating loans from \$700,000 to \$1,750,000 for FYs 2010 through 2023. The Senate amendment strikes the increase in the guaranteed operating loan limit based on an inflation adjuster. (Section 5201)

The Conference substitute adopts the Senate provision with an amendment to continue and clarify the application of the inflation adjuster. (Section 5201)

*(5) Microloans; Limitations*

The House bill amends section 313(c)(2) of the Consolidated Farm and Rural Development Act to strike the reference to “title” and insert “subsection”, thus limiting the total principal microloan indebtedness outstanding to any 1 borrower to \$50,000, only for the purposes of section 313(c). (Section 5202)

The Senate amendment has no comparable provision.

The Conference substitute adopts the House provision. (Section 5202)

*(6) Microloans; Cooperative Pilot*

The Senate amendment amends section 313(c)(4)(A) of the Consolidated Farm and Rural Development Act to extend the microloan cooperative lending pilot project until 2023. (Section 5202)

The House bill has no comparable provision.

The Conference substitute adopts the Senate provision. (Section 5203)

*(7) Loans to purchasers of Land with Undivided Interest and No Administrative Authority*

The Senate amendment extends the authorization of the pilot in section 333B of the Consolidated Farm and Rural Development Act pilot for one additional year (through FY2024). The amendment enacts a new section 333E authorizing the Secretary to conduct pilot projects under the real estate, operating, emergency, and rural development authorities of the Consolidated Farm and Rural Development Act that may improve the efficiency and effectiveness of those programs. It also enacts a new section 3101 that authorized the Secretary to make or guarantee loans to cooperatives, credit unions and nonprofit organizations to relend to individuals and entities to assist heirs with undivided ownership interests to resolve ownership and succession on farmland that has multiple owners. Furthermore, it establishes loan terms and conditions, and preferences for certain eligible entities. (Section 12624)

The House bill has no comparable provision.

The Conference substitute adopts the Senate provision with an amendment. The substitute amends the Consolidated Farm and Rural Development Act by adding a new section 3101 that authorizes the Secretary to make loans to cooperatives, credit unions and nonprofit organizations to relend for projects that assist heirs with undivided ownership interests to resolve ownership and succession on farmland that has multiple owners. The substitute establishes loan terms and conditions, preferences for certain eligible entities, and requires a report to Congress describing the operation and outcomes of the program and providing recommendations on how to strengthen the program. The substitute authorizes appropriations of \$10 million annually for each of fiscal years 2019 through 2023. (Section 5104)

The Managers encourage USDA to conduct pilot projects of limited scope and duration consistent with subtitles A, B, C and D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981 et seq.) to evaluate processes and techniques that may improve the efficiency and effectiveness of the programs carried out under these subtitles. It is the intent of the Managers that the Department consult with stakeholder groups when determining regulations and procedures to define entities eligible for loans provided under section 5104 of this Act.

*(8) Loan Authorization Levels*

The House bill amends section 346(b)(1) of the Consolidated Farm and Rural Development Act to extend the authorization for subtitle A (ownership) and B (operating) Farm Loan Program loans through 2023. (Section 5302)

The Senate amendment amends section 346(b)(1) by increasing the overall loan authorization level for subtitles A and B Farm Loan Program loans from \$4.226 billion to \$12 billion for each of FYs 2019 through 2023. The provision also increases the specific loan limits for direct loans from \$1.2 billion to \$4 billion, with \$2 billion for farm ownership loans and \$2 billion for farm operating loans. The provision also increases the specific loan limitations for guaranteed loans from \$3.026 billion to \$8 billion, with \$4 billion for farm ownership loan guarantees and \$4 billion for farm operating loan guarantees. (Section 5302)

The Conference substitute adopts the Senate amendment with an amendment to increase the overall loan authorization level for subtitles A and B Farm Loan Program loans from \$4.226 billion to \$10 billion for each of FYs 2019 through 2023; to increase the specific loan limits for direct loans from \$1.2 billion to \$3 billion, with \$1.5 billion for farm ownership loans and \$1.5 billion for farm operating loans; and to increase the specific loan limitations for guaranteed loans from \$3.026 billion to \$7 billion, with \$3.5 billion for farm ownership loan guarantees and \$3.5 billion for farm operating loan guarantees. (Section 5302)

*(9) Use of Additional Funds for Direct Operating Microloans Under Certain Conditions*

The Senate Amendment amends section 346(b) of the Consolidated Farm and Rural Development Act to add a new paragraph (5) requiring the Secretary to make available up to \$5 million in Commodity Credit Corporation (CCC) funds for farm operating microloans if the Secretary determines the amount of funds otherwise available



for operating loans for the fiscal year is insufficient. The Secretary must notify Congress not later than 15 days before using this authority. (Section 12617)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment to strike the provision of mandatory funding and to authorize appropriations of \$5 million each year to carry out new section 346(b)(5). (Section 5304)

*(10) Equitable Relief*

The Senate amendment amends the Consolidated Farm and Rural Development Act by adding a new section 366 that authorizes the Secretary to provide equitable relief to farm loan program borrowers based on good faith actions of a borrower who relied on the actions or advice of an authorized representative of the Secretary. The amendment provides that administrative determinations are final and not subject to administrative appeal or judicial review. (Section 5304)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 5305)

*(11) Socially Disadvantaged Farmers and Ranchers; Qualified Beginning Farmers and Ranchers*

The Senate amendment amends the Consolidated Farm and Rural Development Act by adding a new section 367 that requires the Secretary to waive the guarantee fee of 1.5% and provide a 95% guarantee for guaranteed loans to a socially disadvantaged farmer or rancher or a qualified beginning farmer or rancher. (Section 5305)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment to authorize the Secretary to provide a 95% guarantee for guaranteed loans to a socially disadvantaged farmer or rancher or a qualified beginning farmer or rancher. (Section 5306)

*(12) Emergency Loan Eligibility*

The Senate amendment amends section 373(b)(2)(B) to exempt write-downs and restructurings under section 353 from what is considered “debt forgiveness” for the purposes of applying the debt forgiveness loan eligibility limitations. (Section 5306)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 5307)

*(13) Technical Corrections*

The House bill includes a series of technical corrections to correct errors to provisions in sections 310E(d)(3), 321(a), 331D(e), 333A(f)(1)(A), 339(d)(3), 343(a)(11)(C), 343(b), and 346(a) of the Consolidated Farm and Rural Development Act. (Section 5401)

The Senate amendment contains no comparable provisions.

The Conference substitute adopts the House provision with an amendment to

exclude the amendment to paragraph (3) of section 310E(d) as this paragraph is substantively amended in section 12306, obviating the need for this correction. (Section 5401)

*(14) State Agricultural Mediation Programs*

The House bill amends section 506 of the Agricultural Credit Act of 1987 to extend the authorization of appropriations for the State Mediation Programs through 2023. (Section 5601)

The Senate amendment amends section 506 to extend the authorization of appropriations to 2023. The Senate amendment also amends Section 501 of the Agricultural Credit Act of 1987 to: (1) eliminate the requirement that issues that may be mediated be tied to the jurisdiction of USDA; (2) include issues under the national organics program (Organic Foods Production Act of 1990), land & equipment lease issues, family farm transition issues, and farmer-neighbor disputes; (3) authorize the use of Program funds for credit counseling either prior to any mediation involving USDA or for issues unrelated to any dispute or mediation involving USDA; (4) expand the participants in mediation to include other parties to issues addressed in the mediation; and (5) ensure USDA receives adequate notice of issues in mediation. The Senate Amendment amends section 505 to require a report to Congress from the Secretary regarding State mediation programs within 2 years. (Section 5401)

The Conference substitute adopts the Senate provision with an amendment to clarify that the list of persons eligible for mediation is expanded to include any other persons involved in an issue for which mediation services are provided by a mediation program described under section 501(c)(1)(B) of the Agricultural Credit Act of 1987. (Section 5402)

The Conference substitute allow state mediation programs to cover additional agriculture mediation services, including: organic disputes, land and equipment lease issues, family farm transition, farmer to neighbor disputes and provides credit counseling, through State mediation programs. The Managers recognize the importance of agriculture mediation services provided to farmers and support these efforts to mitigate potential financial and legal disputes.

*(15) Socially Disadvantaged Farmers and Ranchers*

The Senate amendment amends section 4.19 of the Farm Credit Act of 1971 by adding socially disadvantaged farmers and ranchers to the Farm Credit System's Young, Beginning, and Small Farmers Program, and makes a conforming amendment to section 5.17. (Section 5402)

The House bill contains no comparable provisions.

The Conference substitute requires the Comptroller General of the United States to conduct a study to assess the credit and related services provided by agricultural credit providers to socially disadvantaged farmers and ranchers; review the overall participation of socially disadvantaged farmers and ranchers in such services; and identify barriers that limit the availability of agricultural credit to socially disadvantaged farmers and ranchers.

The Conference substitute also requires the Comptroller General to provide recommendations on how agricultural credit providers may improve outreach to socially disadvantaged farmers and ranchers relating to the availability of credit and related services. The Comptroller General must report to Congress within 120 days on the findings and recommendations of the study. (Section 5416)

*(16) Quarters and Facilities for the Farm Credit Administration*

The House bill amends section 5.16 of the Farm Credit Act of 1971 to require the headquarters of the Farm Credit Administration to be the Washington DC metro area. (Section 5503)

The Senate amendment amends section 5.16 of the Farm Credit Act of 1971 to the same effect. (Section 5407(28))

The Conference substitute adopts the House provision. (Section 5405)

*(17) Removal and Prohibition Authority; Industry-Wide Prohibition*

The Senate amendment adds section 5.29A to the Farm Credit Act of 1971 to require that a person removed or suspended at a Farm Credit System Institution, or prohibited from serving at a System institution for a period of time, shall not serve at FCA or any other Federal financial regulator or the institutions that they regulate, with limited exception authority. (Section 5404)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 5406)

*(18) Expansion of Acreage Exception to Loan Amount Limitations*

The House bill amends section 8.8(c)(2) of the Farm Credit Act of 1971 to increase the acreage exception to the loan amount limitation under section 8.8(c)(1) from 1,000 to 2,000 acres. The effective date of this provision is one year after the submission to the Committees on Agriculture of the Congress of the study required to be conducted by the Farm Credit Administration pursuant to section 5602 of the House bill. (Section 5507)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with a conforming amendment to reflect the updated section number of the study required under Section 5414 of the conference substitute. (Section 5410)

*(19) Compensation of Bank Directors*

The House bill repeals section 4.21 of the Farm Credit Act of 1971 placing a below market limitation on compensation of System Bank directors. (Section 5508)

The Senate amendment contains no comparable provisions.

The Conference substitute adopts the House provision. (Section 5403)

The Managers intent for repealing section 4.21 of the Farm Credit Act of 1971 is to remove the statutory limitation on the compensation of the members of the boards of

directors of Farm Credit System Banks. However, it is not the intent of the Managers to prevent the Farm Credit Administration (FCA) from examining, and taking actions regarding, the reasonableness of the compensation of directors of Farm Credit System Banks in carrying out FCA's obligations to regulate and supervise Farm Credit System Banks.

*(20) Prohibition on Use of Funds*

The House bill amends section 5.65 of the Farm Credit Act of 1971 to prohibit the use of funds of the Farm Credit System Insurance Fund or administrative funds to provide assistance to the Federal Agricultural Mortgage Corporation. (Section 5509)

The Senate amendment contains no comparable provision

The Conference substitute adopts the House provision. (Section 5409)

*(21) Elimination or Repeal of Obsolete References; Technical Corrections & Conforming Repeals*

The House bill makes a number of corrections to the Farm Credit Act of 1971 to remove references to entities that no longer exist and authorities that have expired, and makes conforming repeals. The House bill repeals Subtitle A of Title VI of the 1971 Act, which established the Farm Credit System Financial Assistance Board. (Sections 5501 & 5502)

The Senate amendment makes nearly all of the same corrections and repeals as found in the House provisions, and more. The Senate Amendment repeals Title VI of the 1971 Act in its entirety, including (1) Subtitle A, which established the Farm Credit System Financial Assistance Board; and (2) Subtitle B, which established the Farm Credit System Financial Assistance Corporation. (Section 5407)

The Conference substitute adopts the Senate provision with a few minor conforming amendments to reflect amendments made elsewhere in the bill, including the adoption of section 5503 of the House bill as described in item (16) above. (Section 5411)

*(22) Corporation as Conservator or Receiver; Certain Other Powers*

The Senate amendment adds a new section 5.61C to the Farm Credit Act of 1971 that clarifies and establishes updated authorities for the Farm Credit System Insurance Corporation (FCSIC) and the handling of claims in the event that FCSIC is appointed as a conservator or receiver of a System Institution pursuant to section 4.12 of the Act. The amendment provides express statutory receivership and conservatorship authorities comparable to those of other Federal financial regulators, including the Federal Deposit Insurance Corporation, National Credit Union Administration, and the Federal Housing Finance Agency. The provision clarifies FCSIC's treatment of "qualified financial contracts" (including securities contracts, commodity contracts, swap agreements, and derivatives) in its role as receiver, and authorizes FCSIC and the Farm Credit Administration to create a bridge bank to assist in addressing a situation where one or more System banks are in default or are anticipated to go into default. (Section 5408)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 5412)

The Farm Credit Act of 1971 is amended by adding a new section that clarifies and establishes statutory authorities for the Farm Credit System Insurance Corporation and the handling of claims in the case of the Corporation being appointed as a conservator or receiver of a System institution. The Managers intend for the authorities of the Corporation to be functionally equivalent to the parallel authorities of the Federal Deposit Insurance Corporation.

*(23) Reporting*

The Senate amendment requires the Secretary of Agriculture to prepare an annual report to Congress that identifies certain characteristics with respect to borrowers of farm loans made and guaranteed, the borrowers' operations, and other data, for each State and county in the United States. It also requires that the Secretary prepare a comprehensive review of these annual reports to Congress every 5 years. (Section 5409)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 5413)

*(24) Sense of the Senate*

The Senate amendment declares that it is the Sense of the Senate that all participants of the Farm Service Agency loan programs should strive to encourage beginning farmers and ranchers and socially disadvantaged farmers to use Farm Service Agency loans. (Section 5410)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate provision.

It is the sense of the Managers that all participants of the Farm Service Agency loan programs should strive to encourage beginning farmers and ranchers and socially disadvantaged farmers to use Farm Service Agency loans.

*(25) Study on Loan Risk*

The House bill requires the Farm Credit Administration to conduct a study that: (1) analyzes and compares the financial risks of Farm Credit banks, associations, and the Federal Agricultural Mortgage Corporation, and how these risks are required to be capitalized; and (2) assesses the feasibility of increasing the acreage exception in section 8.8(c)(2) of the Farm Credit Act of 1971 to 2,000 acres. The report is due 180 days after the date of enactment. (Section 5602)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 5414)

As a part of its study, the Managers are interested in the opinion of the FCA on alternatives—other than the current acreage limitation—to adequately address any safety and soundness issues.

*(26) GAO Report on Ability of the Farm Credit System to Meet the Agricultural Credit Needs of Indian Tribes and Their Members*

The House bill requires the GAO to study the agricultural credit needs of farms, ranches, and related businesses owned or operated by Indian tribes or tribal members, and whether the Farm Credit System has the authority and resources to meet such needs. The report is due within 90 days after the date of enactment. If the Comptroller General finds that the System lacks the authority or resources to meet the stated needs, the report shall include recommendations to meet the needs. (Section 5603)

The Senate amendment contains no comparable provisions.

The Conference substitute adopts the House provision. (Section 5415)



## Title VI – Rural Development

### *(1) Prioritizing Projects to Meet Health Crises in Rural America/Distance Learning and Telemedicine; Community Facilities Direct Loans and Grants for Substance Use Disorder Treatment Services; Rural Health and Safety Education Programs*

The House bill amends Title VI of the Rural Development Act of 1972 to include a new section which provides the Secretary with the authority to announce a renewable, one-year, temporary reprioritization for certain USDA Rural Development (“RD”) loan and grant applications to assist rural communities in responding to a specific rural health emergency. It requires the Secretary of Agriculture (“Secretary”) to issue an announcement that specifies the emergency, and to provide notice to the relevant Congressional committees and the Secretary of Health and Human services. The bill also amends Section 2333(c) of the Food, Agriculture, Conservation, and Trade Act of 1990 to provide that, pursuant to an announcement under subsection (a), at least 10% of Distance Learning and Telemedicine Programs funds are reserved for projects that address the rural health emergency.

The House bill amends Section 306(a) of the Consolidated Farm and Rural Development Act to provide that, pursuant to an announcement under subsection (a), Community Facilities Program funds may be prioritized for projects that address the rural health emergency, including facilities that provide prevention, treatment, and recovery services.

The House bill also amends Section 502(i) of the Rural Development Act to provide that, pursuant to an announcement under subsection (a), Rural Health and Safety Education Program funds may be prioritized for projects that address the rural health emergency. (Section 6001)

The Senate amendment amends section 2333(c) of the Food, Agriculture, Conservation, and Trade Act of 1990 to set aside 20% of Distance Learning and Telemedicine grant funding for applications related to substance use disorder treatment services.

The Senate amendment amends section 306(a) of the Consolidated Farm and Rural Development Act to provide that in selecting recipients of loans or grants for the development of essential community facilities, the Secretary shall give priority to entities to develop facilities to provide substance use disorder (including opioids) prevention, treatment, and recovery services; and that employ staff trained to identify and treat individuals with substance use disorders.

The Senate amendment amends section 502(i) of the Rural Development Act to require the Secretary, in making grants under the Rural Health and Safety Education Program, to give priority to an applicant that will use the grant for substance use disorder education, prevention, or treatment. (Sections 6301(a), 6105, and 6303)

The Conference substitute adopts the House provision with an amendment that prioritizes funding through the year 2025 for Community Facility, Distance Learning and Telemedicine and Rural Health and Safety Education Programs that provide substance abuse prevention, treatment, and recovery services. The substitute also authorizes the Secretary to make temporary prioritizations for certain Rural Development programs on a regional or state basis for other public health disruptions. (Section 6101)

*(2) Distance Learning and Telemedicine*

The House bill reauthorizes the program through FY2023; and increases the authorization of appropriations to \$82,000,000 per fiscal year. (Section 6002)

The Senate amendment reauthorizes the program through 2023. (Section 6301(b)-(c))

The Conference substitute adopts the House provision. (Section 6102)

*(3) Supporting Agricultural Association Health Plans*

The House bill establishes a new loan and grant program to assist in the establishment of agricultural association health plans. The House bill provides the Secretary with the authority to make not more than 10 loans for the purposes of establishing agricultural association health plans and provides for the terms of such loans. The House bill provides the Secretary with the authority to make grants for the purposes of providing technical assistance in establishing agricultural association health plans. The House bill authorizes a one-time appropriation of \$65 million to be available until expended during FYs 2019 through 2022. (Section 6004)

The Senate amendment contains no comparable provision.

The Conference substitute does not include the House provision.

*(4) Refinancing of Certain Rural Hospital Debt*

The House bill authorizes assistance for a community facility under section 306(a) for a business, non-profit or any other entity under section 310B to include the refinancing of a debt obligation of a rural hospital as an eligible loan or loan guarantee purpose if the assistance would help preserve access to health service in a rural community and meaningfully improve the financial position of the hospital. (Section 6005)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment that requires hospitals seeking refinancing to meet USDA's financial feasibility and adequacy of security requirements. (Section 6103)

The Managers emphasize the necessity that USDA work with rural hospitals to improve their financial health as a part of a refinancing agreement. The Managers also encourage USDA to build on its current technical assistance efforts to improve the long-term operations of rural hospitals in order to continue providing vital services to rural communities.

*(5) Requiring Loans, Guaranteed Loans, and Grants for Rural Broadband*

The House bill amends section 601(c)(1) of the Rural Electrification Act of 1936 to require that the Secretary "shall make loans and shall guarantee loans" to finance rural broadband projects. (Section 6103)

The Senate amendment amends subsections (a) and (c) of section 601 to require that the Secretary "shall make grants and make or guarantee loans" to finance rural broadband projects and makes several conforming amendments throughout section 601. (Section 6206(1)-(2))

The Conference substitute adopts the Senate provision with an amendment to clarify that the Secretary is required to make grants, make loans, and guarantee loans to finance rural broadband projects. (Section 6201)

In implementing the Guaranteed Loan Program to help expand broadband access in rural areas, the Managers encourage RUS to consider development of a certified lender program that will encourage public-private partnerships and expedite investment into rural broadband infrastructure.

*(6) Simplified Application Window*

The House bill amends section 601(c)(2)(A) of the Rural Electrification Act of 1936 to require the Secretary to establish 1 evaluation period per year for broadband loan program applications. (Section 6108)

The Senate amendment rewrites section 601(c)(2) in its entirety and deletes any requirement regarding the number of application evaluation periods each year. (Section 6206(2))

The Conference substitute adopts the Senate provision. (Section 6201)

*(7) Elimination of Requirement to Give Priority to Certain Applicants*

The House bill amends section 601(c)(2) of the Rural Electrification Act of 1936 to strike the subparagraph (D) priority category. (Section 6109)

The Senate amendment rewrites section 601(c)(2) in its entirety and deletes the same subparagraph (D) priority category. (Section 6206(2))

The Conference substitute adopts the Senate provision with an amendment clarifying that the most unserved communities are those without residential broadband service of at least 10 Mbps downstream transmission capacity and 1 Mbps upstream transmission capacity. (Section 6201)

*(8) Fees for Guaranteed Broadband Loans*

The House bill amends section 601(c) of the Rural Electrification Act of 1936 to require the Secretary to collect fees on loan guarantees in amounts that when combined with any appropriated funds equal the subsidy on such guarantees. (Section 6203(b))

The Senate amendment is substantially similar to the House bill. The Senate amendment amends section 601(c) to require the Secretary to charge lenders of guaranteed loans a fee to offset subsidy costs. (Section 6117(b))

The Conference substitute adopts the Senate provision with an amendment to require the Secretary to charge and collect fees from lenders in such amounts as to bring down the cost of subsidies for guaranteed loans, but that do not act as a bar to participation in the program. (Section 6201)

*(9) Access to Broadband Telecommunications Services in Rural Areas; Broadband Standards; Grants*

The House bill amends section 601(d)(1)(A)(i) to require broadband loan or loan guarantee applicants to demonstrate the ability to furnish or improve service in order to meet the new broadband service standards established under section 6101 of the House Bill in all or part of an unserved or underserved rural area. (Section 6101(a)(1))

The Senate amendment amends section 601(d)(1)(A) to make it applicable to grants as well as loans and loan guarantees; conforming amendments to section 601 run throughout section 6206. (Section 6206(3)(A)(i) & (3)(C) through (G))

The Conference substitute adopts the House provision. (Section 6201)

*(10) Modification of Buildout Requirement*

The House bill amends section 601(d)(1)(A)(iii) of the Rural Electrification Act of 1936 to provide 5 years for applicants to complete the buildout of broadband infrastructure financed under this section. (Section 6110)

The Senate amendment is the same as the House bill, with a conforming amendment to clarify that it applies to grants as well as loans. (Section 6206(3)(A)(i))

The Conference substitute adopts the House provision with technical amendments. (Section 6201)

*(11) Access to Broadband Telecommunications Services in Rural Areas; Unserved Area, Incumbent Service Providers*

The Senate amendment amends section 601(d)(2)(A) of the Rural Electrification Act of 1936 to: (1) increase from 15 percent to 90 percent the share of households in a proposed service area that must be unserved or have service levels below the minimum acceptable service level of fixed broadband service, whether terrestrial or wireless; and (2) reduce from 3 to 2 the number of incumbent service providers in any part of the proposed service area that would make the area ineligible for financing. (Section 6206(3)(B))

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment increasing from 15 percent to 90 percent the share of households in a proposed service area that must be unserved for broadband projects funded by grants, loan/grant combinations, loans with subsidized interest rates, and payment assistance loans. The amendment increases from 15 percent to 50 percent the share of households in a proposed service area that must be unserved for broadband projects funded by loans or loan guarantees. The amendment does not adopt the Senate provision decreasing the number of incumbent service providers. (Section 6201)

*(12) Access to Broadband Telecommunications Services in Rural Areas; Application Process*

The Senate amendment amends section 601(d)(7) to: (1) require the Secretary to provide feedback and decisions on funding to an applicant of a grant, loan, or loan guarantee in a timely manner; (2) clarify that in addition to a determination of area eligibility prior to preparing a loan application, a prospective applicant may also submit to the Secretary a proposal for a project on which the Secretary shall provide feedback regarding how the proposal could be changed to improve the likelihood that the Secretary would approve the application. (Section 6206(3)(H)-(I))

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment that specifies that only applicants proposing to serve communities without residential broadband service of at least 10 Mbps downstream transmission capacity and 1 Mbps upstream transmission capacity are eligible for technical assistance and training. (Section 6201)

*(13) Elimination of Unnecessary Reporting Requirements*

The House bill: amends section 601(d)(8)(A)(ii) to eliminate reporting requirements with respect to: (1) the location of residences and businesses that will

receive broadband service; and (2) changes in broadband service adoption rates. (Section 6112)

The Senate amendment contains no comparable provisions.

The Conference substitute adopts the House provision with an amendment creating new reporting requirements for all USDA broadband projects. (Section 6207)

*(14) Establishing Forward-Looking Broadband Standards/Access to Broadband Telecommunications Services in Rural Areas*

The House bill amends Section 601(e) of the Rural Electrification Act of 1936 to require the Secretary to establish broadband service standards for rural areas that provide for: (1) speed to be at least 25 megabits per second (Mbps) downstream transmission capacity and 3 Mbps upstream transmission capacity; and (2) projections of minimum acceptable standards of service for 5, 10, 15, 20, and 30 years into the future. The amendment further prohibits the Secretary from making any loan to finance a project that the Secretary determines cannot meet the projected minimum acceptable standard of service at any time while the loan or loan guarantee is outstanding. The amendment allows the Secretary and the applicant to agree to substitute standards if the standards are cost-prohibitive to meet.

The House bill also provides that, to the extent possible, the loan terms and conditions require for the lifetime of the loan that the project will be capable of meeting either the minimum standard currently in effect or the projected standard in place at the time the loan was agreed to. (Section 6101(a)(2)-(3))

The Senate amendment amends Section 601(e) of the Rural Electrification Act of 1936 to codify USDA's current definition of minimum acceptable broadband service of 25 Mbps downstream transmission capacity and 3Mbps upstream transmission capacity. (Section 6206(4))

The Conference substitute adopts the House provision with an amendment modifying the broadband buildout requirements that the Secretary shall establish for projects with agreement lengths of 5 to 10 years, 11 to 15 years, 16 to 20 years, and more than 20 years. (Section 6201)

The Managers are acutely aware of the challenges created by the ever-increasing bandwidth needs of applications running over the Internet. These bandwidth needs mean that the expectation for "broadband-quality service" in urban, suburban, and rural communities increases over time. While protecting project areas provided assistance from a competing USDA-assisted project is essential for program integrity, such protections can result in a lack of further investment in rural broadband systems and rural residents receiving levels of service which degrade relative to expectations over time.

In establishing the broadband buildout speeds, the Managers intend the Secretary establish requirements for applicants to build systems capable of providing higher quality broadband service as the term of assistance lengthens, to help to ensure that USDA-financed broadband systems are able to meet the connectivity needs of rural residents for the entirety of the length of time such system is protected from overbuilding under USDA's broadband programs.

*(15) Improving Access by Providing Certainty to Broadband Borrowers*

The House bill amends title II of the Rural Electrification Act of 1936 to permit the Secretary to obligate, but not disperse, funds under section 601 to approved



applications while conditioning the disbursement of funds on the successful completion of environmental, historic, or other reviews. Further, it permits the Secretary to de-obligate funds if the reviews cannot be completed in a reasonable amount of time.

The House bill amends section 601(d) of the Rural Electrification Act of 1936 to permit the Secretary to obligate, but not disperse, funds under section 601 to approved applications while conditioning the disbursement of funds on the successful completion of environmental, historic, or other reviews. Further, it permits the Secretary to de-obligate funds if the reviews cannot be completed in a reasonable amount of time. (Section 6107)

The Senate amendment amends section 601 of the Rural Electrification Act of 1936 to authorize the Secretary to obligate, but not disperse, funds under this Act before the completion of otherwise required environmental, historical, or other types of reviews if the Secretary determines that a subsequent site-specific review shall be adequate and easily accomplished for the location of towers, poles, or other broadband facilities in the service area of the borrower without compromising the project or the required reviews.

The Senate Amendment also amends section 601 of the Rural Electrification Act of 1936 to require, as a condition of receiving a grant, loan, or loan guarantee, a recipient of assistance to provide to the Secretary complete, reliable, and precise geolocation that indicates the location of new broadband service that is being provided or upgraded within the service territory supported by the grant, loan, or loan guarantee at specified times. (Section 6206(8))

The Conference substitute adopts the Senate provision with an amendment that moves the language dealing with geolocation data to the new section requiring public notice, assessments, and reporting. (Sections 6207 and 6208)

#### *(16) Improving Borrower Refinancing Options/Refinancing of Broadband*

The House bill amends section 601(i) of the Rural Electrification Act of 1936 to permit the Broadband Loan Program to refinance telecommunications loans other than those made under the Act. (Section 6111(b))

The Senate amendment amends section 601(i) of the rural Electrification Act of 1936 to provide RUS the authority to refinance telephone and broadband loans other than those made under the Act. (Section 6209(b))

The Conference substitute adopts the Senate provision as a new section 703 of the Rural Electrification Act of 1936. (Section 6209)

#### *(17) Unified Broadband Reporting Requirements*

The House bill amends section 601(j) and (k)(2) of the Rural Electrification Act of 1936 to require the Secretary to submit a single report to Congress describing all the broadband financing activities administered by the Secretary including the loans, loan guarantees, and grants applied for and provided under the programs. (Section 6106)

The Senate amendment amends section 601(j) of the Rural Electrification Act of 1936 to add grants to the reporting requirements (Section 6206(6))

The Conference substitute adopts the House provision (Section 6207).

In adopting a substitute amendment, the Managers have established a single process for reporting across multiple USDA broadband programs. The amendment will ensure that applicants will be reporting similar, comparable data to the Secretary. The amendment similarly requires the Secretary to combine that data into a single report to



Congress which covers the entirety of the Department's broadband assistance activities.

In addition, the substitute amendment combines in a single section these reporting requirements with the amended notice and assessment requirements. The Managers recognize that these two processes – one pre-application and one post-application – are interrelated and each are essential to promoting program integrity. The Managers intend for the Secretary to establish requirements which are complementary, wherever possible, both to facilitate implementation and to ease compliance for applicants and existing providers.

Finally, the Managers recognize the importance of oversight and integrity within the broadband programs, as well as the significant work entailed in verifying the eligibility of unserved communities. To that end, the Conference report provides significant resources to the Secretary to carry out oversight of the broadband programs. These funds shall be utilized without distinction to provide oversight across all of the broadband programs that the Secretary administers.

*(18) Access to Broadband Telecommunications Services in Rural Areas*

The House bill amends section 601(k) of the Rural Electrification Act of 1936 by increasing the authorization of appropriations to \$150 million for each of fiscal years 2019 through 2023 and reauthorizing the program through fiscal year 2023.

The House bill also amends section 601(l) of the Rural Electrification Act of 1936 to extend the termination of authority to make loans and loan guarantees until September 30, 2023. (Section 6113)

The Senate amendment amends section 601(m) of the Rural Electrification Act of 1936 (as redesignated) to: (1) increase the authorization of appropriations to \$150,000,000 for each of the fiscal years 2019 through 2023 and reauthorizing the program through fiscal year 2023 (same as the House Bill); and (2) require the Secretary, from amounts made available each fiscal year, to set aside at least 1 percent to be used for conducting oversight and implementing accountability measures.

The Senate amendment also amends section 601(n) of the Rural Electrification Act of 1936 as redesignated) to extend the termination of authority to make grants, loans, and loan guarantees until September 30, 2023. (Section 6206(9)-(10))

The Conference substitute provides an amendment increasing the authorization of appropriations to \$350 million for each of fiscal years 2019 through 2023 and sets aside between 3 and 5 percent of program level amounts for conducting oversight and implementing accountability measures for the Farm Bill Broadband Program and Community Connect projects. (Sections 6201 and 6207)

*(19) Middle Mile Broadband Infrastructure*

The House bill amends section 601 of the Rural Electrification Act of 1936 to authorize loans to eligible entities for the development of "middle-mile" broadband infrastructure, defined as infrastructure that does not directly connect to end user locations, including interoffice transport, backhaul, Internet connectivity, data centers, or special access transport to rural areas. Loans and loan guarantees for middle-mile infrastructure are limited to no more than 20% of the amounts made available under section 601. (Section 6114)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment to amend

section 602 of the Rural Electrification Act of 1936 to require the Secretary to use grant funding as well as loans and loan guarantees to provide funds for the construction, improvement, or acquisition of middle-mile infrastructure to serve rural areas, and to require that at least 75 percent of the interconnection points of a project serve eligible rural areas. The amendment also authorizes appropriations of \$10 million for each of fiscal years 2019 through 2023. (Section 6202)

*(20) Establishing Forward-Looking Broadband Standards: Report to Congress*

The House bill requires the Administrator of the Rural Utilities Service, within 12 months after the date of the enactment, to submit to the House and Senate Agriculture Committees a report on the effectiveness of RUS loan and loan guarantee programs at expanding broadband to rural areas, including administrative and legislative options for incentivizing private investment. (Section 6101(b))

The Senate amendment contains no comparable provision.

The Conference substitute does not adopt the House provision.

*(21) Smart Utility Authority/Single Application for Broadband*

The House bill amends section 331 of the Consolidated Farm and Rural Development Act to allow a recipient of certain grants, loans, or loan guarantees to use not more than 10 percent of the amount for rural broadband infrastructure projects, including both retail and non-retail activities, except for a recipient who is seeking to provide retail broadband service in any area where retail broadband service is available at the minimum broadband speeds.

The House bill also amends Title I of the Rural Electrification Act of 1936 to allow a recipient of certain grants, loans or loan guarantees to set aside not more than 10 percent of the amount for retail broadband service, for use only in an area that is not being provided with the minimum acceptable level of broadband service. (Section 6104)

The Senate amendment amends section 331 of the Consolidated Farm and Rural Development Act to allow for no more than 10% of any Rural Development grant, loan, or loan guarantee to be used to fund broadband facilities and service, provided that the funding will not result in competitive harm to any existing grant, loan, or loan guarantee. (Section 6116)

The Conference substitute adopts the House provision with an amendment requiring that the funding not result in competitive harm to any existing grant, loan, or loan guarantee under the Rural Electrification Act of 1936, under certain circumstances. (Section 6210)

The Managers intend that USDA not authorize funding for the construction of any retail broadband project that would result in competitive harm to any USDA grant, loan, or loan guarantee.

*(22) Modifications to the Rural Gigabit Program*

The House bill amends section 603 of the Rural Electrification Act of 1936 to amend the Rural Gigabit Network Pilot Program and replace it with the Innovative Broadband Advancement Program to provide grants, loans or both to eligible entities for the purpose of demonstrating innovative broadband technologies or methods of

broadband technologies or methods of broadband deployment that significantly reduce the cost of broadband deployment and substantially increase broadband service to not less than the 20-year broadband speed established by the Rural Utilities Service (Section 6105)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment requiring projects to provide broadband speeds of at least the maximum broadband buildout requirements established under section 601(e)(4) of the Rural Electrification Act of 1936, as amended. (Section 6203)

*(23) Incentives for Hard to Reach Communities*

The House bill amends Title VI of the Rural Electrification Act of 1936 to add a new section 604 of the Rural Electrification Act to create a grant program for borrowers under Title I, II, or VI of the Rural Electrification Act who are financing rural broadband projects that provide retail service.

The House bill also establishes a method for calculating service points per road mile as a density measure. Eligible applicants are those areas with a density of 12 or fewer homes, businesses, or institutions per mile of road in a proposed service area. The bill also authorizes appropriations of \$350 million for each of fiscal years 2019 through 2023. (Section 6102)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment to apply the new density requirements to grants authorized under Section 6201 and modifies the number of persons per square mile when determining what percent of a project's development costs may be funded using grant money. The substitute does not adopt the House provision's authorization of appropriations. (Section 6201)

The Conference report includes significant new authority for the Secretary to provide grants to applicants to extend broadband service deeper into rural communities. The Managers are mindful of past broadband grant programs which have occasionally resulted in grants to providers who fail to meet their obligations under their grant agreements. The Managers recognize the work that the Department has undertaken in an attempt to recover taxpayer dollars in those instances and to continue to improve the ability for the department to hold grantees accountable for the entirety of their obligations. To further this work, the Managers intend that any agreements the Secretary executes with grant applicants include terms which:

1. Require that the project meet all statutory and regulatory service requirements agreed to as part of the application process, including the broadband buildout requirements, if applicable;
2. Require the repayment of the grant if the project is sold or transferred without agency approval during the term of the grant; and
3. Provide the government a first lien on the grant assets during the term of the grant and thereafter comply with the applicable federal regulations under the Uniform Administrative Requirements, Cost Principles, And Audit Requirements For Federal Awards, codified in 2 C.F.R. 200.

*(24) Community Connect Program*

The Senate amendment amends title VI of the Rural Electrification Act of 1936 to codify the existing Community Connect Program, while authorizing the program at \$50,000,000 for each of fiscal years 2019 through 2023. (Section 6207)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 6204)

*(25) Outdated Broadband Systems*

The House bill adds a new section 605 to the Rural Electrification Act of 1936 to provide that beginning October 1, 2020, the Secretary shall consider as unserved for the purposes of all broadband loan programs under this Act any portion of a service territory subject to an outstanding grant agreement with a broadband provider if the broadband service provided is not at least 10 megabits per second download and at least 1 megabit per second upload, unless the broadband provider has constructed or begun to construct broadband facilities in the service territory that meet the minimum acceptable standard of service established under section 601(e)(1). (Section 6115)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision as a new section 604 of the Rural Electrification Act of 1936. (Section 6204)

*(26) Refinancing of Broadband and Telephone Loans*

The House bill amends section 201 of the Rural Electrification Act of 1936 to clarify that the Secretary, through the RUS telephone loan program, may refinance broadband loans made under section 601 of the Act. (Section 6111(a))

The Senate amendment amends Section 201 of the Rural Electrification Act of 1936 to clarify that the Secretary, through the RUS telephone loan program, may refinance loans of persons furnishing telephone service in rural areas, including indebtedness of recipients on another telecommunications loan made under the Act.

The Senate amendment also strikes the current law limitation that the refinancing may not constitute more than 40% of a loan made under Title II of the Act. (Section 6209(a))

The Conference substitute adopts the Senate provision. (Section 6211)

The Managers intend for Section 6211, refinancing of loans, that an existing loan may be refinanced using the Substantially Underserved Trust Area program when it is determined to be appropriate. The recipients of these loans are serving the most difficult, and highest cost areas of the country, and allowing for the refinancing of higher interest loans will provide the ability for these telecommunications carriers to continue to build high-speed broadband networks.

The Managers expect that the new refinancing authority gives the Department the ability to issue a new loan with new terms with the proceeds being used to repay or pre-pay an existing loan. These transactions should be not be considered loan modifications.

Within 90 days of enactment, USDA should publish a notice detailing implementation of the re-financing provisions in Section 6211.

*(27) Federal Broadband Program Coordination*

The House bill directs the Secretary of Agriculture to coordinate with the Assistant Secretary of the National Telecommunications and Information Administration

for assessment and mapping capabilities. The Secretary will consult with the Federal Communications Commission (FCC) before making a broadband loan or grant for a project to serve an area in which another entity is receiving Connect America Fund or Mobility Fund support under the federal universal service support mechanism. The Chairman of the FCC shall consult with the Secretary before providing support in an area where an entity has received assistance from USDA. The Secretary, FCC, and the Assistant Secretary shall submit a report to the Congressional committees assessing its abilities to meet various objectives regarding long-term broadband service needs of rural residents. (Section 6116)

The Senate amendment amends section 601(d)(1) of the Rural Electrification Act of 1936 to require the Secretary to coordinate with the Federal Communications Commission to ensure that any grants, loans, or loan guarantees made under this section complement and do not conflict with universal service high-cost support. (Section 6206 (3)(A)(ii))

The Conference substitute adopts the House provision. (Section 6212)

*(28) Effective Date*

The House bill provides that amendments made by subtitle B of the House Bill shall not take effect until the Secretary of Agriculture has issued final regulations to implement the amendments.

The House bill also requires that within 90 days of the enactment the Secretary shall prescribe final regulations to implement the amendments made by sections 6101 (broadband standards) and 6102 (incentives for hard to reach communities). (Section 6117)

The Senate Amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment giving the Secretary one year to issue a final rule implementing the amendments made to Section 601 of the Rural Electrification Act of 1936. (Section 6213)

*(29) Strategic Economic and Community Development*

The House bill amends section 379H in its entirety to require the Secretary to: (1) give priority to applications for programs that support implementation of a strategic community investment plan; (2) reserve a portion of funds for projects that support the implementation of a strategic community investment plan; and (3) set forth the requirements for such plans. The bill requires the Secretary to provide technical assistance to communities in developing strategic community investment plans and authorizes appropriations of \$5 million for each of fiscal years 2018 through 2023 to provide the technical assistance. (Section 6201)

The Senate amendment amends section 379H in its entirety to require the Secretary to: (1) give priority to applications for programs that support implementation of a strategic community investment plan; (2) reserve not more than 10 percent of funds for projects that support the implementation of a strategic community investment plan; and (3) set forth the requirements for such plans. The amendment also requires the Secretary to provide technical assistance to communities in developing strategic community investment plans and authorizes appropriations of \$5 million for each of fiscal years 2019 through 2023 to provide the technical assistance. (Section 6123)

The Conference substitute adopts the Senate provision with an amendment increasing the reserve to not more than 15 percent of funds for projects. (Section 6401)

*(30) Expanding Access to Credit for Rural Communities*

The House bill amends the definition of “rural and “rural area” under section 343(a)(13) of the Consolidated Farm and Rural Development Act to provide that a city or town that has a population of up to 50,000 inhabitants is eligible for loan guarantees for water, wastewater, and essential community facilities.

The bill also amends the definition of “rural area” in section 601(b)(3)(A)(ii) of the Rural Electrification Act of 1936 to provide that a city or town that has a population of up to 50,000 inhabitants is eligible for guaranteed loans in the rural broadband program. (Section 6202)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment to reserve funding for Community Facilities applications for projects in communities with populations of 20,000 people or less, and to prioritize Water and Wastewater Facility applications for projects in communities with populations of 10,000 people or less. (Section 6402)

The Conference report expands the size of rural communities eligible to seek assistance under the guaranteed lending authorities of the Community Facilities and Water and Waste Disposal programs. In order to meet the needs of the enlarged class of borrowers under these programs, the Managers believe it is important to make commensurate increases in the program levels of these programs, where appropriate.

The Secretary should utilize the authority provided under Section 6418 to charge fees to lenders to reduce the subsidy cost of operating these programs in order to provide additional assistance to rural communities at a reduced cost to the taxpayer. The Managers encourage the Secretary to work closely with rural communities, rural lenders, and the relevant committees in Congress as the Department utilizes the new guaranteed lending authorities provided in this bill.

In addition, as the volume of lending increases under the guaranteed lending programs, the Managers recognize the need for the Department to streamline the approval process. The Managers encourage the Secretary to find ways to make application reviews more efficient and more standardized. In addition to technology, process, and regionalization improvements that can be made, the Managers also believe that utilizing the authorities of Sec 364 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)) to develop certified lender programs will encourage public-private partnerships and expedite investment into rural infrastructure.

*(31) Guaranteed Loan Fees*

The House bill amends section 333 of the Consolidated Farm and Rural Development Act to require the Secretary to collect fees on insured or guaranteed loans in amounts that when combined with any appropriated funds equal the subsidy on such loans. (Section 6203(a))

The Senate amendment amends section 333 of the Consolidated Farm and Rural Development Act to require the Secretary to charge lenders of guaranteed loans a fee to offset subsidy costs. (Section 6117(a))



The Conference substitute adopts the House provision with an amendment to provide that the Secretary charge and collect from the lender fees in such amounts as to bring down the costs of subsidies for the insured or guaranteed loan, except that the fees shall not act as a bar to participation in the programs nor be inconsistent with current practices in the marketplace. (Section 6418)

Guaranteed lending programs are important to meeting credit needs of rural borrowers who are unable to qualify for conventional credit. The Managers believe a modest increase in fees in the Community Facilities and Water and Waste Disposal programs can achieve a zero-subsidy rate and potentially minimize or eliminate the need for future appropriations while increasing the volume of loans extended to rural communities. However, the Managers are also mindful that guaranteed lending under these programs serves a public policy purpose and encourages the Secretary to work with the Committees on Appropriations to establish a fee structure, annual appropriations amount, and program level appropriate to achieve that purpose.

To assist in determining the appropriate fee structure and to examine the potential to reduce subsidy rates under other guaranteed lending programs, the Managers direct the Secretary to conduct a study of several guaranteed lending programs to clarify the extent of necessary fee increases; the impact on loan volume; whether fee increases could be structured to minimize impact on smaller lenders and borrowers; and how to better enhance credit terms for future borrowers, lenders and secondary market participants. In conducting the study, the Secretary shall consult with a range of stakeholders utilizing each program from across the rural lending community, including: rural community leaders, borrowers, rural banking institutions, rural credit unions, Farm Credit institutions, secondary market participants, and other interested stakeholders.

No later than September 30, 2019, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition and Forestry of the Senate a report analyzing guaranteed lending under the Community Facilities, Water and Waste Disposal, Broadband Access, Business and Industry, and Rural Energy for America programs to determine:

1. The level to which the origination fee and annual renewal fees would need to be raised in order to:
  - a. achieve a zero-subsidy level
  - b. reduce the subsidy rate to a level which will not act as a bar to participation in the programs nor be inconsistent with current practices in the marketplace;
2. The projected loan volume and the projected appropriations amount necessary to support that program level for each program under the fee structures described in 1.
3. Whether such fees would prevent participation by smaller lenders and borrowers.
4. Whether participation under a zero-subsidy structure could be increased by charging higher fees for larger loans and lower fees for smaller loans and, if so, what level of fees and loan sizes would achieve higher participation.
5. How subsidy rates are formulated for individual guaranteed lending programs and how to enhance subsidy rate formulation to reflect performance of each program.
6. Differences between USDA and SBA loan processes and whether USDA could expedite loan processing and ensure consistency between area service centers, states and national offices.

7. Whether a transition period is necessary to shift USDA's guaranteed programs to a zero-subsidy structure without diminishing existing loan volume.
8. Other actions the department could take to reduce the subsidy cost of running guaranteed lending programs, besides increasing fees, including a quantification of the estimated effects of such changes.

*(32) Water, Waste Disposal, and Wastewater Facility Grants*

The House bill amends section 306(a)(2)(B) to increase the maximum amount of financing an eligible entity can receive from a revolving fund from \$100,000 to \$200,000. The bill reauthorizes the program for fiscal years 2019 through 2023. The bill also decreases the authorization of appropriations from \$30 million to \$15 million per fiscal year. (Section 6204)

The Senate amendment is similar to the House bill and reauthorizes the program through fiscal year 2023. (Section 6101)

The Conference substitute adopts the House provision. (Section 6403)

*(33) Rural Water and Wastewater Technical Assistance and Training Programs*

The House bill amends section 306(a)(14)(A) to permit the Secretary to provide grants to entities which assist eligible rural water systems with long term sustainability planning. The bill also amends section 306(a)(14)(C) to increase the set-aside of funds for technical assistance to 3 to 5 percent of funds appropriated for rural water and waste grants under section 306(a)(2), unless applications qualifying for grants received by the Secretary from eligible nonprofit organizations for the fiscal year total less than 1% of those funds. (Section 6205)

The Senate amendment is the same as the House bill. The amendment also amends Section 306(a)(14)(B) to add a priority for rural water technical assistance and training to communities affected by emerging contaminants detected in drinking water and surface water supplies.

The Senate amendment amends section 306(a)(14)(C) to increase the set-aside of funds for technical assistance up to 3-to-5 percent of funds appropriated for rural water and waste grants under section 306(a)(2), unless applications qualifying for grants received by the Secretary from eligible nonprofit organizations for the fiscal year total less than 3% of those funds. (Section 6102)

The Conference substitute adopts the Senate provision with an amendment to change the priority to an eligible activity under the technical assistance program. (Section 6404)

The Managers encourage the Secretary to allow for national applications without restrictions or award caps for funding under the Essential Community Facilities Technical Assistance and Training Program from qualified national non-profit organizations for the sole purpose of providing on-site training and technical assistance on a national or multi-State regional basis. The Managers note there are no restrictions on funding awards prescribed in the authorizing statute of the program (Sec. 6006 of the Agricultural Act of 2014) (P.L. 113-79). The Managers modeled the program after the Water and Waste Disposal Technical Assistance and Training Program (306(a)(14) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(14)), which does not prescribe any caps or restrictions on funding. The Managers intend that applications not be limited to \$150,000 for national and multi-state non-profit applications, but rather

be considered for an amount of no less than \$500,000 to provide community facilities technical assistance and training on a national or multi-state basis.

The Managers recognize that the scientific understanding of the wide variety of emerging contaminants, including the broad category of substances identified as per- and polyfluoroalkyl substances (PFAS), is continuing to develop and not yet mature. The Department and technical assistance providers should utilize the best available science and rely on the determinations produced by the Environmental Protection Agency when advising eligible water systems about emerging contaminants under this section.

*(34) Rural Water and Wastewater Circuit Rider Program*

The House bill amends section 306(a)(22)(B) to increase the authorization of appropriations to \$25 million for FY2018 and each FY thereafter. (Section 6206)

The Senate bill amends section 306(a)(22)(B) to increase the authorization of appropriations to \$25 million for each of fiscal years 2019 through 2023. (Section 6103)

The Conference substitute adopts the Senate provision. (Section 6405)

*(35) Tribal college and University Essential Community Facilities*

The House bill amends section 306(a)(25)(C) to decrease the authorization of appropriations to \$5,000,000 for each of fiscal years 2019 through 2023. (Section 6207)

The Senate Amendment reauthorizes the Tribal College and University Essential Community Facilities Program through fiscal year 2023. (Section 6104)

The Conference substitute adopts the Senate provision. (Section 6406)

*(36) Business Innovation Services Essential Community Facilities*

The Senate amendment amends section 306(a) to authorize the Secretary to make grants and loans for essential community facilities for business and innovation services, such as incubators, co-working spaces, makerspaces, and residential entrepreneur and innovation centers. (Section 12618)

The House bill contains no comparable provision.

The Conference substitute does not adopt the Senate provision.

The Managers recognize the need for additional financial support for community facilities that support rural businesses and innovation, and make clear that the Secretary may use programs authorized under 306(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)) to make loans, loan guarantees, and grants for essential community facilities for business and innovation services, such as incubators, co-working spaces, makerspaces, and residential entrepreneur and innovation centers.

*(37) Emergency and Imminent Community Water Assistance Grant Program (ECWAG)*

The House bill amends section 306A to (1) authorize the Secretary to extend the reservation of funds for an additional 120 days in order to provide potable water to protect public health, in the event of a natural disaster (including drought); and (2) authorize appropriations of \$27 million for each of fiscal years 2019 through 2023. (Section 6208)

The Senate amendment amends Section 306A of the Consolidated Farm and Rural Development Act to: (1) increase the amount of funds reserved for ECWAG grants to between 5 percent and 7 percent of the funds provided for water and wastewater grants under section 306(a)(2); (2) authorize appropriations of \$50 million for each of fiscal

years 2019 through 2023; (3) prioritize funding of projects that address water contamination posing a threat to human health of the environment; (4) increase the maximum amount of a grant to address water quality or quantity decline from \$500,000 to \$1 million, and: (5) create an interagency task force to study drinking water and surface water contamination in rural communities and submit its findings to Congress. (Section 6106)

The Conference substitute adopts the Senate provision with an amendment to authorize the Secretary to extend the reservation of funds for an additional 120 days in order to provide potable water to protect public health. (Section 6407)

In implementing the amendment made by this section, the Managers remind the Department that the Environmental Protection Agency is the lead federal agency charged with the scientific assessment of potential drinking water contaminants and regulating treated drinking water. In making awards under (b)(1)(A), the Department should continue to utilize the Agency's determinations, or those of relevant state and local regulators, of what poses a threat to human health or the environment, as required by Sections 306(a)(9) and (10) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)).

Additionally, the Department should provide in its regulations implementing this program that any entities responsible for fouling a drinking water supply are not eligible to be the recipients of an award under this program.

*(38) Water Systems for Rural and Native Villages in Alaska*

The House bill reauthorizes the program through FY 2023. (Section 6209)

The Senate amendment amends section 306D to reauthorize the program through FY 2023, and to: (1) clarify that a consortium of Alaska Native Villages are eligible recipients of these grants; and (2) provide that up to 2% of the funds appropriated for a fiscal year may be used by a consortium for training and technical assistance programs. (Section 6107)

The Conference substitute adopts the Senate provision. (Section 6408)

*(39) Household Water Well Systems*

The House bill reauthorizes the program through FY 2023 (Section 6210)

The Senate amendment reauthorizes the program through FY 2023, increases the authorization of appropriations to \$40 million annually, reduces the eligibility threshold for households to those whose income is not more than 60 percent of the median nonmetropolitan household income for the State, allows for individually owned household decentralized water and wastewater systems to qualify, and provides that loans made with grants\ funds shall have an interest rate of 1 percent with a term not to exceed 20 years and cannot exceed \$15,000.

The Conference substitute adopts the Senate provision, with an amendment to increase the authorization of appropriations from \$5 million to \$20 million for each of fiscal years 2019 through 2023. (Section 6409)

The Managers intend that the Secretary give priority and work closely with non-profits having substantial experience in providing direct technical assistance to low-income homeowners dealing with decentralized water system issues.

In implementing the amendment made by this section, the Managers remind the Department that the Environmental Protection Agency is the lead federal agency charged

with the scientific assessment of potential drinking water contaminants and regulating treated drinking water. In making awards under (4) for ground water well contamination, the Department should continue to utilize the Agency's determinations, or those of relevant state and local regulators, of what substances are considered contaminants and pose a threat to human health or the environment, as required by Sections 306(a)(9) and (10) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)).

Additionally, the Department should provide in its regulations implementing this program that any entities responsible for fouling a drinking water supply are not eligible to be the recipients of an award under this program.

*(40) Rural Cooperative Development Grants*

The House bill amends section 310B to reauthorize the program through fiscal year 2023. (Section 6213)

The Senate amendment amends section 310B to: (1) reauthorize the program through fiscal year 2023; and (2) clarify that research conducted under the cooperative research program may include that based on data from the latest available Economic Census conducted by the Bureau of the Census. (Section 6111)

The Conference substitute adopts the Senate provision. (Section 6412)

*(41) Intermediary Relending Program*

The House bill amends section 310H to: (1) reauthorize the program through FY2023; and (2) reduce the authorization of appropriations to \$10 million per year. (Section 6217)

The Senate amendment amends section 310H to: (1) reauthorize the program through FY 2023; (2) increase to \$400,000 the maximum loan amount an intermediary may lend to a qualified project; (3) reduce the matching amounts for preferred lenders; and (4) allow for return of equity to an intermediary consistent with loan amortization schedules. (Section 6115)

The Conference substitute adopts the Senate provision. (Section 6416)

*(42) Exclusion of Prison Populations from Definition of Rural Area*

The House bill amends section 343(a)(13) of the Consolidated Farm and Rural Development Act by excluding incarcerated prison populations from inclusion in the determination of whether an area is "rural" or a "rural area." (Section 6218)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment clarifying that the exemption applies to populations incarcerated on a long-term or regional basis. (Section 6301)

*(43) Rural Business-Cooperative Service Programs Technical Assistance and Training*

The Senate amendment adds a new section 368 to the Consolidated Farm and Rural Development Act authorizing the Secretary to make grants for technical assistance and training to assist rural communities in accessing programs offered through Rural Business and Cooperative Services, with a priority for grants serving persistent poverty counties and high poverty communities. (Section 6118)



The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment to provide that any amounts authorized to be appropriated for any fiscal year that are not appropriated for that fiscal year may be appropriated for the immediately succeeding fiscal year. (Section 6419)

*(44) Establishment of Technical Assistance Program*

The Senate amendment requires the Secretary to establish a technical assistance program to improve access by Tribal entities to rural development programs. (Section 12514)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 6302)

*(45) Rural Microentrepreneur*

The House bill reauthorizes appropriations for the program of \$4 million for each of fiscal years 2019 through 2023. (Section 6221)

The Senate amendment reauthorizes appropriations for the program of \$20 million for each of fiscal years 2019 through 2023.

The Senate amendment establishes the minimum funding level an eligible microenterprise development organization can receive in technical assistance grants in an amount equal to not less than 20% of the total outstanding balance of microloans made by the microenterprise development organization, subject to satisfactory performance and the availability of funding. (Section 6121)

The Conference substitute adopts the Senate provision with an amendment capping the maximum funding level an eligible microenterprise development organization can receive in technical assistance grants to not more than 25 percent of the total outstanding balance of microloans made. (Section 6422)

*(46) Rural Innovation Stronger Economy Grant Program*

The Senate amendment amends Subtitle D of the Consolidated Farm and Rural Development Act to establish a competitive grant program to establish job accelerators to improve the ability of distressed rural communities to create high-wage jobs, accelerate the formation of new businesses, and help rural communities identify and maximize local assets. Grants for job accelerators will be provided in not fewer than 25 states. (Section 12619)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment. (Section 6424)

The Managers recognize the importance of a broad coalition of stakeholders for implementation of a rural jobs accelerator partnership funded through this program. For this reason, beyond the criteria already described in the Conference substitute for the working group that makes up a rural jobs accelerator partnership, the Managers intend an applicant may consider including one or more representatives of an economic development or other community or labor organization; a financial institution, including a community development financial institution (as defined in section 103 of the Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C.



4702); a philanthropic organization; or a rural cooperative, if the cooperative is organized as a nonprofit organization.

The Managers intend that in addition to the selection criteria stipulated in the Conference substitute, an applicant may also be asked to indicate the speed of available broadband service or how the jobs accelerator plans to improve access to high-speed broadband service, if necessary, and leverage that broadband service for programs of the jobs accelerator. To be selected for a grant through this program, an applicant should provide details on the identified industry cluster in their application, including a description of data showing the existence of emergence of an industry cluster; the importance of the industry cluster to economic growth in the identified region; the unique assets the identified region has to support the industry cluster and to have a competitive advantage in that industry cluster; evidence of a concentration of firms or concentration of employees in the industry cluster; and available industry-specific infrastructure that supports the industry cluster. The applicant should also provide a description of how the rural jobs accelerator partnership would improve the competitiveness of the identified region, the ability to repatriate United States jobs, the fostering of high-wage job creation, the support of innovation and entrepreneurship, and the promotion of private investment in the identified regional economy.

The Managers believe the flexible use of funds through this program is important to successful rural jobs accelerator partnerships. The innovation center that may be funded through this program may function as or be used for housing for business owners or workers; co-working space, which may include space for remote work; space for businesses to utilize with a focus on entrepreneurs and small and disadvantaged businesses but that may include collaboration with companies of all sizes; job training programs; and efforts to utilize the innovation center as part of the development of a community downtown, among other uses deemed appropriate by the Secretary. Support programs that may be funded through this program may include integrating small businesses into a supply chain; creating or expanding commercialization activities for new business formation; identifying and building assets in rural communities that are crucial to supporting regional economies; facilitating the repatriation of high-wage jobs to the United States; supporting the development of innovative processes, technologies, and products; enhancing the capacity of small businesses in regional industry clusters, including small and disadvantaged business; and increasing United States exports and business interaction with international buyers and suppliers.

The Managers recognize the need for federal interagency support of rural jobs accelerator partnerships. Beyond the Secretary of Commerce (or a designee) and the Secretary of Agriculture (or a designee) co-chairing the task force to oversee this program, this task force should also include the Secretary of Education (or a designee); the Secretary of Energy (or a designee); the Secretary of Health and Human Services (or a designee); the Secretary of Housing and Urban Development (or a designee); the Secretary of Labor (or a designee); the Secretary of Transportation (or a designee); the Secretary of the Treasury (or a designee); the Administrator of the Environmental Protection Agency (or a designee); the Administrator of the Small Business Administration (or a designee); the Federal Co-Chair of the Appalachian Regional Commission (or a designee); the Federal Co-Chairman of the Board of the Delta Regional Authority (or a designee); the Federal Co-Chair of the Northern Border Regional Commission (or a designee); national and local organizations that have relevant

programs and interests that could serve the needs of the jobs accelerators; representatives of State and local governments or State and local economic development agencies; representatives of institutions of higher education, including land-grant universities; and such other heads of Federal agencies and non-Federal partners as determined appropriate by the co-chairs of the task force.

*(47) Northern Great Plains Regional Authority*

The House bill amends section 383N(a) of the Consolidated Farm and Rural Development Act by extending and reducing the authorization of appropriations to \$2 million for each of fiscal years 2019 through 2023. (Section 6224)

The Senate amendment contains no comparable provision.

The Conference substitute does not adopt the House provision.

*(48) Rural Business Investment Program*

The Senate amendment amends Subtitle H of the Consolidated Farm and Rural Development Act to: (1) change the definition of capital for purposes of the program from “venture capital” to “equity capital”; (2) remove the \$500 cap on guarantee fees the Secretary may charge; (3) increase the limitation on rural business investment companies controlled by Farm Credit System institutions from 25% to 50% before the rural business investment company is prohibited from providing equity investments to companies that are not otherwise eligible to receive financing from the Farm Credit System; and (4) prohibit the Secretary from requiring an entity applying to become a certified rural business investment company provide investment or capital that is not required of other companies eligible to apply to operate as a rural business investment company. (Section 12626)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 6426)

*(49) Electric Loan Refinancing*

The Senate amendment amends section 2(a) of the Rural Electrification Act of 1936 to authorize the Secretary refinance electric and telephone loans made by the Rural Utilities Service. (Section 6201)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 6501)

The Managers expect that all affected federal agencies will work together to expeditiously implement the new authority to refinance Rural Utilities Service and Federal Financing Bank loans. Within 90 days USDA should publish a notice detailing implementation of the re-financing provisions.

The Managers expect that the new refinancing authority gives the agency the ability to issue a new loan with new terms with the proceeds being used to repay or pre-pay an existing loan. These transactions should not be considered loan modifications. The Managers do not expect any additional budget authority to be necessary to implement these provisions.

*(50) Technical Assistance for Rural Electrification Loans*

The Senate amendment amends section 2 to require the Secretary to enter into an MOU with the Department of Energy under which the Secretary of Energy shall provide

technical assistance to the Rural Utilities Service on loans to be made for electrification loans. (Section 6202)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment clarifying that the Department of Energy provides technical assistance to Rural Utilities Service and not individual borrowers. (Section 6501(b))

*(51) Loans for Telephone Service*

The Senate amendment amends Section 201 of the Rural Electrification Act of 1936 by making technical changes to remove obsolete provisions. (Section 6203)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 6502)

*(52) Cushion of Credit Payments Program/Extension*

The House bill amends the Rural Electrification Act of 1936 to: (1) authorize appropriations of \$10 million for each of fiscal years 2019 through 2023 for the Rural Economic Development Loan and Grant Program; and (2) add a new section 313B to consolidate and specifically authorize the statutory provisions governing the Rural Economic Development Loan and Grant Program. (Section 6304)

The Senate amendment amends the Rural Electrification Act of 1936 to: (1) authorize appropriations of \$5 million for each of fiscal years 2022 and 2023 for the Rural Economic Development Loan and Grant Program; (2) provide mandatory CCC funding of \$5 million for each of fiscal years 2022 and 2023; (3) provide for the continuation of the Rural Economic Development Loan and Grant Program beyond the current expected cessation of the Program with the expiration of the final certificate of beneficial ownership in FY2021; (4) cease additional deposits into the Cushion of Credit beginning October 1, 2018; and (5) modify the fixed interest rate and 5 percent paid on Cushion of Credit deposits to the rate used to make payments on the 5-year Treasury note, not to exceed 5%. (Section 6204)

The Conference substitute adopts the Senate provision with an amendment to cease additional deposits into the Cushion of Credit beginning on the date of enactment of the Agriculture Improvement Act of 2018; and to modify the interest paid on Cushion of Credit deposits from a fixed interest rate of 5 percent currently paid on Cushion of Credit deposits to 4 percent in fiscal year 2021, and to an amount equal to the 1-year Treasury rate thereafter. In addition, beginning on the date of enactment through September 30, 2020, a borrower may reduce the balance of its Cushion of Credit account if the amount obtained from the reduction is used to prepay loans made or guaranteed under the Rural Electrification Act of 1936. No prepayment premium will be imposed or collected with respect to that portion of a loan that is prepaid by a borrower under this limited prepayment authority. (Section 6503 & 6504)

The managers expect that all affected federal agencies will work together to expeditiously implement the new authority to prepay Rural Utilities Service and Federal Financing Bank loans without penalty under this section. Within 90 days of enactment, USDA should publish a notice detailing implementation of the Cushion of Credit provisions. The Managers do not expect any additional budget authority to be necessary to implement these provisions.

In providing the authority for depositors to prepay loans with balances in the Cushion of Credit account, it is the Managers' intention that each depositor be able to apply funds to individual loans of the depositor's choosing.

*(53) Guarantees for Bonds and Notes Issued for Electrification for Telephone Purposes*

The House bill amends section 313A of the Rural Electrification Act of 1936 to: (1) strike the requirement that loans be made solely for the purpose of electrification or telephone purposes under the Act, and instead allow that utility infrastructure loans be made to, or refinanced for, eligible borrowers under the Rural Electrification Act; (2) prescribe terms of the guarantees, including to require that the term of each guarantee must be 35 years; and (3) require that the Secretary carry out section 313A, as amended, under a notice of Solicitation of Applications until all necessary regulations are fully implemented. (Section 6301 & 6303)

The Senate amendment amends section 313A of the Rural Electrification Act of 1936 to: (1) same as House bill; (2) prescribe terms of the guarantees, including to provide that the term of a guarantee, by agreement between the Secretary and the borrower, may be for a term of 30 years (or another term of years that the Secretary determines is appropriate); (3) substantially similar to the House bill; (4) extend the termination date until September 30, 2023; and (5) strikes the prohibition against the Secretary guaranteeing payment on a bond or note issued by a lender, the proceeds of which are used for the generation of electricity. (Section 6205)

The Conference substitute adopts the Senate provision. (Section 6505)

The Managers have included language to streamline the Guaranteed Underwriter Program. The Managers intend that this program will continue to guarantee loans or refinance bonds or notes issued by cooperative lenders for the purposes of assisting utilities in improving their infrastructure. These electric and telecommunications utilities include any former RUS borrower that has repaid or prepaid an insured, direct or guaranteed loan under the Rural Electrification Act of 1936, or any utility that is eligible to receive an insured or direct loan under such Act.

*(54) Expansion of 911 Access*

The House bill reauthorizes section 315 of the Rural Electrification Act of 1936 through 2023. (Section 6302)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 6506)

*(55) Transparency in the Telecommunications Infrastructure Loan Program*

The Senate amendment amends Title VI of the Rural Electrification Act of 1936 to require the Secretary to publish and make available to the public a fully searchable database related to the Telecommunications Infrastructure Loan and Loan Guarantee Program, including: (1) a notice and specified details of each application; (2) a notice and specified details of each borrower receiving assistance; and (3) other information sufficient to allow the public to understand the assistance provided.

The Senate amendment also requires the Secretary to provide an opportunity for the public to submit information concerning the service the borrower is offering in the census blocks proposed in an application. (Section 6208)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment to expand the transparency and reporting requirements to all broadband infrastructure programs administered by USDA, remove references to census blocks, and moves some existing reporting language from Section 601 of the Rural Electrification Act of 1936 to a new Section 701. (Section 6207)

In adopting a substitute amendment, the Managers have established a single process for providing notice and assessments of proposed service territories across multiple USDA broadband programs. The amendment will ensure that the Secretary will be required to follow the same process for making information about applicants for retail broadband assistance publicly available, regardless of which program the assistance is provided through. Similarly, existing broadband providers will have a single source of information about proposed projects in which they might be considered incumbent providers.

The amendment also seeks to move the Department away from the inaccurate, census-block approach to determining the existing service within a proposed service territory. Census-block level data has long been identified as a significant stumbling block to gaining an accurate map of broadband deployment in rural areas. The amendment requires existing service providers to provide data on their operations only within the borders of the proposed service territory. The Managers intend that the Secretary implement this section by requiring applicants and existing providers to each provide service point-level data when submitting data under this section, as appropriate.

*(56) Cybersecurity and Grid Security Improvements*

The Senate amendment amends Title III of the Rural Electrification Act of 1936 by adding at the end a new section authorizing the Secretary to make or guarantee electric loans for cybersecurity and grid security improvements. (Section 6210)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 6507)

*(57) Rural Energy Savings Program*

The House bill amends section 6407 of the Farm Security and Rural Investment Act of 2002 to: (1) require the Secretary to not include any debt incurred under the Rural Energy Savings Program incurred in the calculation of a borrower's debt equity ratio for the purposes of determining eligibility for loans under the Rural Electrification Act; (2) require the Secretary to streamline accounting requirements imposed on borrowers while maintaining adequate assurances of loan repayment; (3) increase the interest rate that a borrower may charge when relending programs funds from 3% to 5%; (4) require the Secretary to submit a report to Congressional authorizing committees on program administration; and (5) reauthorize the program through 2023. (Section 6401)

The Senate amendment amends Section 6407 of the Farm Security and Rural Investment Act of 2002 to: (1) very similar provision; (2) very similar provision; (3) increase the interest rate that a borrower may charge when relending program funds from 3% to 6%; (4) very similar provision; (5) reauthorized the program through 2023; and (6) amend the definition of "energy efficiency measures" eligible for financing to specifically include cost-effective on- or off- grid renewable energy or energy storage systems. (Section 6302)

The Conference substitute adopts the Senate provision with an amendment to



increase the interest rate a borrower may charge when relending program funds from 3 percent to 5 percent. (Section 6303)

*(58) Regional Economic and Infrastructure Development Commissions/Northern Border Regional Commission*

The House bill amends 40 U.S.C. 15751 to reauthorize the Commissions through fiscal year 2023. (Section 6503)

The Senate amendment amends Section 15751(a) of title 40, United States Code, to reauthorize the Northern Border Regional Commission, the Southwest Border Regional Commission, and Southeast Crescent Regional Commission through 2023.

The Senate amendment also establishes a State capacity building grant program to provide grants to Commission States to carry out several stated purposes, including to better support business retention and expansion in eligible counties and to implement new or innovative economic development practices. The amendment also adds 2 counties in New Hampshire and 8 in Vermont to region of the Northern Border Regional Commission. It provides several administrative provisions governing the grant program and authorizes such sums as may be necessary to provide up to \$5 million per fiscal year to carry out the grant program. (Section 6304)

The Conference substitute adopts the Senate provision with an amendment adding additional New York counties and authorizes appropriations of \$33 million for each of fiscal years 2019 through 2023. (Section 6304)

*(59) Definition of Rural Area for Purposes of the Housing Act of 1949*

The House bill amends section 520 of the Housing Act of 1949 to update the census years for the purposes of defining “rural” and “rural area.” The provision maintains the 35,000 population threshold for areas rural in character and with a serious lack of mortgage credit for lower and moderate-income families. (Section 6504)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 6305)

*(60) Limited Exclusion of Military Base Populations from Definition of Rural Area*

The House bill amends section 313(a)(13) of the Consolidated Farm and Rural Development Act to provide that the first 1,500 individuals who reside in housing located on a military base shall not be included in determining whether an area is “rural” or a “rural area.”

The House bill amends section 601(b) to provide that the first 1,500 individuals who reside in housing located on a military base shall not be included in determining whether an area is a “rural area.”

The House bill also amends section 2332 of the Food, Agriculture, Conservation, and Trade Act of 1990 to define “rural area” for purposes of the Distance Learning and Telemedicine program. (Section 6505)

The Senate Amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 6301)

*(61) Council on Rural Community Innovation and Economic Development*

The Senate Amendment establishes a Council on Rural Community Innovation and Economic Development to enhance the efforts of the Federal Government to address



the needs of rural areas through enhanced use of coordination, innovation, and investment to promote rural economic prosperity. (Section 6305)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 6306)

Sec. 6306(h)(3)(A)(ii)(I): *Report by the Rural Smart Communities Working Group* - The report to be submitted to Congress not later than one year after the establishment of the Rural Smart Communities Working Group shall describe efforts that communities in rural areas can undertake to integrate 'smart' technology into their communities to solve challenges relating to governance, economic development, quality of life, or other relevant issues, as determined by the Secretary. Other such issues the Working Group shall describe when considering challenges faced by rural communities should include, but are not limited to, energy delivery and reliability, transportation, public health, healthcare, law enforcement and public safety, housing, and other vital public functions.

In addressing the aforementioned challenges, the report shall include a description of efforts of rural communities to apply innovative and advanced technologies and related mechanisms, to increase the efficiency and cost effectiveness of related civic operations and services, and to create a more sustainable and resilient community. Furthermore, the report shall include an analysis on efforts to integrate 'smart' technology into rural communities, the barriers and challenges faced by rural areas to integrate such technology into their communities, what Federal resources can be utilized to assist rural communities in this regard, as well as including recommendations on how best to deploy Federal resources to assist rural areas in integrating such technologies and resources in their communities and how rural communities can better leverage private sector resources to integrate such technologies and resources

Sec. 6306(h)(3)(A)(ii)(II): *Rural Smart Community Resource Guide*- The resource guide to be created, published, and maintained for rural communities to develop and implement rural smart community programs may include a compilation of existing related Federal and non-Federal programs available for rural communities to provide such resources that may include technical assistance, education and training, funding opportunities, or other programs. The resource guide may also include examples of rural community engagement with private-sector entities to implement smart community solutions, examples of best practices and successful methods rural communities have undertaken to facilitate integration of smart technologies, and other such relevant topics that further assist rural communities obtain necessary information when developing and implementing rural smart community programs.

In creating the Rural Smart Community Resource Guide, the Rural Smart Communities Working Group shall seek appropriate information from States and local governments in the creation and maintenance of the resource guide, and shall conduct outreach to States, counties, communities, and other relevant entities to provide interested stakeholders with the published Rural Smart Community Resource Guide, and subsequent iterations.

The Working Group shall periodically update and distribute the Rural Smart Community Resource Guide, as relevant and necessary.

Separately, the Managers recognize that existing programs within the Rural Development Title may be used to support outdoor recreation investments that meet the applicable program requirements. To increase the impact of these programs on the outdoor recreation economy, the Managers expect the Secretary to identify and support opportunities for outdoor recreation-related investments that result in rural economic growth, including outdoor recreation businesses, facilities, infrastructure, planning, and marketing. The Managers also expect the Secretary to encourage coordination between Rural Development and U.S. Forest Service staff to identify opportunities to cooperate and leverage resources and investments.

*(62) Elimination of Unfunded Programs*

The House bill repeals sections 306(a)(23), 310B(f), 379, 379A, 379C, 379D, 379F, and Subtitle I of the Consolidated Farm and Rural Development Act, and makes conforming amendments.

The House bill also repeals sections 314 and 602 of the Rural Electrification Act of 1936 and makes conforming amendments. (Section 6601)

The Senate Amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 6601)

*(63) Repeal of Rural Telephone Bank*

The House bill repeals Title IV of the Rural Electrification Act of 1936 and makes conforming amendments. (Section 6602)

The Senate Amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 6602)

*(64) Amendments to the Local TV Act*

The House bill amends the Launching Our Communities' Access to Local Television Act of 2000 by retitling it and repealing sections 1001, 1002, 1003, 1004, 1005, 1006, 1007, 1009, 1010, 1011, and 1012. (Section 6603)

The Senate Amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 6603)

*(65) Corrections Relating to the Consolidated Farm and Rural Development Act*

The House bill provides technical corrections to the Consolidated Farm and Rural Development Act. (Section 6701)

The Senate Amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 6701)

*(66) Corrections Relating to the Rural Electrification Act of 1936*

The House bill provides technical corrections to the Rural Electrification Act of 1936. (Section 6702)

The Senate Amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 6702)

## Title VII – Research

The Managers recognize that Federal investment in public agricultural research has been trending downward in real dollars since 2003. This comes at a time when farmers are struggling to make ends meet and are in desperate need of new tools to cut costs, combat crop disease, and protect against flood and drought. Furthermore, the demands of a growing and hungry world population require that American agricultural research again take the lead in advancing innovation in food production.

The Managers recognize that the U.S. has been second to China in total public agricultural research funding since 2008, and China’s spending on public agricultural research and development is now nearly double that of the United States. We are at a critical juncture and must reverse this trend to reassert our nation’s global leadership in agricultural research.

### *(1) Purposes of agricultural research, extension, and education; International agriculture research*

The House bill amends section 1402 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (“NARETPA”) to add the purpose of supporting international scientific collaboration that leverages resources and advances the food and agricultural interests of the United States. (Section 7101)

The Senate amendment is substantially identical to the House bill, except that it also provides a list of illustrative examples. (Section 7101)

The Conference substitute adopts the Senate provision. (Section 7101)

### *(2) Matters relating to certain school designations and declarations*

The House bill amends the definition of “NLGCA Institution” and “non-land-grant college of agriculture” in section 1404(14) of NARETPA to mean a public college or university offering a baccalaureate or higher degree in the study of agricultural sciences, forestry, or both, which is any of the 32 specified areas of study. The House provision establishes a process of review within 90 days of enactment of each NLGCA to ensure compliance with the revised definition and to propose revocation of the designated NLGCA for noncompliance. The House provision also extends until fiscal year 2023 the current law authority for cooperating forestry schools and Hispanic-serving agricultural colleges to no longer be designated as such institutions. (Section 7102)

The Senate amendment amends the section 1404(14) definition of an NLGCA to mean a public college or university offering a baccalaureate or higher degree in the study of agricultural sciences, forestry, or both, which may include any of same 32 specific areas of study specified in the House bill and any other area determined appropriate by the Secretary. Similar to the House bill, the Senate amendment establishes a process of review within 90 days of enactment of each NLGCA to ensure compliance with the revised definition and to propose revocation of the designated NLGCA for noncompliance. (Section 7102)

The Conference substitute adopts the Senate provision, with an amendment that specifies in the definition of NLGCA that the study of agricultural sciences, forestry, or both is any of the 32 specified areas of study or any other area determined appropriate by

the Secretary. (Section 7102)

The Managers expect the Secretary to rigorously scrutinize any other area of study beyond those specifically enumerated in statute before determining such area of study to be appropriate for the purposes of designating an NLGCA institution. Such area of study should be closely related to the core areas of agricultural sciences and forestry that are listed in the definition.

*(3) National agricultural research, extension, education, and economics advisory board*

The House bill amends section 1408 of NARETPA to reauthorize the National Agricultural Research, Extension, Education, and Economics Advisory Board. It amends the membership composition of the Advisory Board and directs the Advisory Board to make recommendations and to address long- and short-term national priorities consistent with various priorities of the Agriculture and Food Research Initiative and NARETPA. (Section 7103)

The Senate amendment amends section 1408 to reauthorize the Advisory Board. (Section 7103)

The Conference substitute adopts the House provision with an amendment to the membership composition of the Advisory Board to include a national association of agricultural economists. (Section 7103)

*(4) Specialty crop committee; Citrus disease subcommittee*

The House bill amends section 1408A of NARETPA to extend the citrus disease subcommittee of the specialty crops committee through September 30, 2023. It increases the membership of the citrus disease subcommittee from 9 to 11 members and increases from 3 to 5 the number of members who represent Arizona or California. (Section 7104)

The Senate amendment extends the citrus disease subcommittee of the specialty crops committee through September 30, 2023. (Section 7104)

The Conference substitute adopts the House provision. (Section 7104)

*(5) Renewable energy committee*

The House bill discontinues the Renewable Energy Committee by repealing section 1408B of NARETPA. (Section 7105)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 7105)

*(6) Veterinary services grant program*

The Senate amendment amends section 1415B of NARETPA to sunset the authorization for the Veterinary Services Grant Program in fiscal year 2023, to require that not less than two-thirds of the funds made available under section 1415B be awarded to qualified entities with a focus on food animal medicine, and to add to the preference for selecting grant recipients, qualified entities exposing students in grades 11 and 12 to education and career opportunities in food animal medicine. (Section 7105)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with amendments to remove the authorization sunset, to require the Secretary to prioritize grant awards for

programs or activities focused on the practice of food animal medicine, and to specify that a qualified entity may use grant funds to expose students in grades 11 and 12 to education and career opportunities in food animal medicine. (Section 7106)

The Managers intend to enhance the Veterinary Services Grant Program (VSGP), which was developed to relieve veterinary shortage situations and support veterinary services. To increase the number of food animal veterinarians, the Managers intend to recruit high school students and provide work experience to expose them to veterinary career opportunities. According to data from the Department of Agriculture (USDA), approximately 15 percent of veterinarians specialize in food animal or mixed animal practice while two-thirds practice exclusively on companion animals. Prioritizing food animal medicine in the VSGP will allow for additional grants to develop, implement, and sustain food animal veterinary services through education, training, recruitment, placement, and retention of veterinarians, veterinary technicians, and students of veterinary medicine and technology, and to establish or expand veterinary practices in rural areas.

*(7) Research equipment grants*

The House bill adds a new section 1462A of NARETPA to establish a competitive grants program for the acquisition of research equipment for use in food and agricultural sciences programs. Further, it stipulates grant amounts may not exceed \$500,000 to an eligible institution and authorizes \$5 million for each of fiscal years 2019 through 2023. Additionally, the House bill defines “eligible institution” to mean a “college or university” or a State cooperative institution. (Section 7121)

The Senate amendment adds a new section 1419 to establish a competitive grants program that is substantially similar to the House bill, with the exception that the Senate amendment defines “eligible institution” to mean “an institution of higher education as defined in section 101(a) of the Higher Education Act of 1965” or a State cooperative institution. (Section 7107)

The Conference substitute adopts the House provision. (Section 7125)

*(8) Next generation agriculture technology challenge*

The Senate amendment adds a new section 1419C to NARETPA to establish a next generation agriculture technology challenge competition to incentivize the development of innovative mobile technology that removes barriers to entry in the marketplace for beginning farmers and ranchers. The Senate amendment provides that the Secretary may award not more than \$1,000,000 in the aggregate to 1 or more winners of the competition. (Section 7110)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 7110)

The Managers recognize that there are many barriers to entry for new and beginning farmers and ranchers. One of the major challenges includes the lack of innovative mobile technology to help new and beginning farmers and ranchers start farming. The Managers intend that this authority be used to stimulate new advancements to bridge gaps in technology and better serve new and beginning farmers and ranchers.

*(9) Nutrition education program*

The House bill strikes section 1425 in NARETPA to discontinue the nutrition education program and to strike funding for the expanded food and nutrition education program. (Section 7110)

The Senate amendment amends section 1425 to extend the authorization of appropriations for the nutrition education program and the expanded food and nutrition education program through fiscal year 2023. (Section 7111)

The Conference substitute adopts the Senate provision with an amendment to allow the expanded food and nutrition education program to coordinate with the nutrition education and obesity prevention grant program under section 28 of the Food and Nutrition Act or another health promotion or nutrition improvement strategy. (Section 7112)

*(10) Extension carryover at 1890 land-grant colleges, including Tuskegee University*

The House bill amends section 1444(a) of NARETPA to allow 1890 colleges to carry forward to the succeeding fiscal year more than 20 percent of the funds they receive in a given fiscal year, effective October 1, 2018. (Section 7112)

The Senate amendment is substantially similar to the House bill but does not specify an effective date of October 1, 2018. It also requires an annual report to Congress describing allocations made to, and matching funds received by, 1890 colleges and 1862 land-grant colleges for extension. (Section 7114)

The Conference substitute adopts the Senate provision with an amendment striking the annual report requirement and moves it to section 7116. (Section 7114)

The Managers encourage USDA to allow extension funding to carry over at 1890 institutions in a similar manner to 1862 institutions.

*(11) Report on allocations and matching funds for 1890 Institutions*

The House bill directs the Secretary to transmit to Congress annually a report on the allocations made to, and matching funds received by, institutions pursuant to sections 1444 and 1445 of NARETPA. (Section 7106)

The Senate amendment amends section 1445 to require an annual report to Congress describing allocations made to, and matching funds received by, institutions under section 1445 and institutions designated under the Act of July 2, 1862. (Section 7115)

The Conference substitute adopts the Senate provision with amendments to include allocations and matching funds received by institutions under section 1444 of NARETPA, subsections (b) and (c) of section 3 of the Smith-Lever Act, and the Hatch Act of 1887. (Section 7116)

The Managers recognize the important role that land-grant colleges have throughout the country, particularly in agricultural research and extension. It will benefit farmers, producers, and other community stakeholders if state governments match the federal government's funding level commitments at both 1890 and 1862 land-grant colleges. The Managers expect that the Secretary's annual report on the efforts made by States to match dollar-for-dollar federal funding will provide additional information to Congress for future policy decisions, help land-grant colleges better serve their communities, and encourage States to provide additional support for agricultural research.



*(12) New beginning for tribal students*

The House bill amends section 309(b) of the Department of Agriculture Reorganization Act of 1994 to require the Secretary, within a year of the date of enactment, to establish a "New Beginnings Initiative" in consultation with the Office of Tribal Relations, under which the Secretary shall provide funds to a land-grant college or university in an amount equal to the funds such college or university expends for providing Indians educational programs and services, or tuition at such college or university. (Section 11204)

The Senate amendment adds a new section, 1450, to NARETPA authorizing the Secretary to award competitive grants to land-grant colleges or universities to provide identifiable support specifically targeted for Tribal students. A land-grant college or university that receives a grant under this section shall provide matching funds toward the cost of carrying out the support in an amount equal to not less than 100 percent of the grant award. The Senate amendment provides that no State shall receive more than \$500,000 per year through grants under this program. Additionally, it requires that the Secretary provide a report on the type of grants awarded, the amounts awarded, and the graduation rate of student awardees and authorizes appropriations in the amount of \$5 million for each of fiscal years 2019 through 2023. (Section 7118)

The Conference substitute adopts the Senate provision with amendments specifying that the term "land-grant college or university" includes a 1994 Institution and other technical changes. (Section 7120)

*(13) Binational agricultural research and development (BARD)*

The Senate amendment amends section 1458 of NARETPA to provide that activities under the BARD Fund to promote and support agricultural research and development that are of mutual benefit to the United States and Israel shall be carried out in a manner consistent with the section and to accelerate the demonstration, development, and application of agricultural solutions resulting from or relating to BARD Fund programs. (Section 7120)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment striking that the activities be carried out in a manner consistent with the section. (Section 7122)

The Managers acknowledge the strong research and development partnership between the United States of America and the Government of Israel, carried out through activities under the Binational Agricultural Research and Development (BARD) Fund. The Managers encourage the Secretary to promote, support, and expand agricultural research and development that are of mutual benefit to the United States and Israel.

In addition, the Managers intend for USDA, in coordination with the Government of Israel, to pursue the expansion of activities under BARD to accelerate the demonstration, development, and application of agricultural solutions resulting from or relating to BARD Fund programs. The broader BARD areas of interest for collaborative priorities include:

(A) increased efficiency of agricultural production including sustainable development, efficient use of resources, economic evaluation of policies and regulatory issues, and crops that yield higher value per unit;

- (B) protection of plants and animals against biotic stress, including pest genetics in biological environments, invasive species, and emerging diseases;
- (C) agricultural production challenges in increasing marginal conditions, such as tolerance to drought, salinity, high temperature and nutrient stresses;
- (D) food quality, safety and security including improved assessment and detection methods, food nutritive value in relation to human health, functional foods, reliable supply, and postharvest treatments;
- (E) water quality and quantity including efficient use of low quality water, improved economic return for water in agriculture, crop response to soil and water quality and its constituents, impact of nutrients on water quality;
- (F) functional genomics and proteomics that deal with important agricultural issues including production and protection traits, genetic optimization, and increased yield;
- (G) sensors and robotics linking biological phenomena with sensors or otherwise bridging into the field of bioengineering, nano-technology, precision agriculture, and labor reduction; and
- (H) sustainable bio-energy systems, including biofuel production systems, and those that reduce energy costs, leverage renewable resources, reduce greenhouse gases, and help to diversify the farm economy.

*(14) Partnerships to build capacity in international agricultural research, extension, and teaching*

The Senate amendment adds a new section 1458A to NARETPA to promote building capacity and improving performance among 1862, 1890, 1994, NLGCA, Hispanic-serving agricultural colleges, and cooperating forestry schools, and similar institutions in developing countries, to strengthen agricultural research, teaching, and extension institutions. The section authorizes \$10 million for each of fiscal years 2019 through 2023. (Section 7121)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with amendments defining “developing country” and “international partner institutions” and other technical changes. (Section 7123)

The Managers understand that global food production must continue to increase to meet the world’s growing population. The Managers intent is to build capacity and improve the performance of covered institutions and agricultural higher education institutions in developing countries performing, or desiring to perform, activities substantially similar to agricultural research, extension, and teaching activities in order to solve food, health, nutrition, rural income, and environmental challenges, especially among chronically food insecure populations.

*(15) Limitation on indirect costs for agricultural research, education, and extension*

The House bill amends section 1462 of NARETPA to allow indirect cost recovery charged against any agricultural research, education, or extension grant awarded to increase from 22 percent to 30 percent of total federal funds received, unless otherwise provided in law. It clarifies that the limitation on indirect costs applies to both the initial grant award and any subgrant, so that the total of all indirect costs charged against the

total of the Federal funds provided does not exceed the 30 percent limitation. (Section 7120)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 7125)

*(16) Supplemental and alternative crops*

The House bill amends section 1473D of NARETPA to reauthorize appropriations through fiscal year 2023 for the competitive grants program to develop supplemental and alternative crops. It amends the program to include canola and alternative crops “for agronomic rotational purposes and for use as a habitat for honey bees and other pollinators”. (Section 7124)

The Senate amendment is substantially similar to the House bill and also provides that the Secretary may award grants and enter into agreement or other arrangements to conduct research related to the development of industrial hemp as well as the development of new and emerging commercial products derived from hemp. (Section 7125)

The Conference substitute adopts the Senate provision with an amendment to increase the authorization of appropriations to \$2 million for each of fiscal years 2019 through 2023. (Section 7129)

*(17) New era rural technology program*

The Senate amendment amends section 1473E of NARETPA to reauthorize the New Era Rural Technology Program for fiscal years 2019 through 2023 and adds precision agriculture to the areas of technology development, applied research, and training supported under the program. (Section 7126)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 7130)

*(18) Agriculture advanced research and development authority pilot (AGARDA)*

The Senate amendment adds a new section 1473H to NARETPA to establish the Agriculture Advanced Research and Development Authority (AGARDA) under the Office of Chief Scientist. “Advanced research and development” is defined as activities to overcome long-term and high-risk research challenges in agriculture and food through acceleration of innovative agricultural research or the development of qualified products and projects or agricultural technologies. The Senate amendment directs the Secretary to develop a strategic plan for AGARDA and disseminate the information in the plan to those who can best contribute to the activities described in the strategic plan. It permits the Secretary to use “other transaction authority” to expedite awarding grants and entering into contracts. The provision permits the Secretary to appoint highly qualified individuals without regard to certain sections of the U.S. Code governing appointments in the competitive service and without regard to the General Schedule pay rates and authorizes establishment of the AGARDA Fund in the U.S. Treasury administered by the Chief Scientist to carry out this section. The provision permits the Secretary to accept and deposit monies received from cost recovery or contribution into the AGARDA Fund. The authority under this new section terminates on September 30, 2023. (Section 7128)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with amendments that (1)

broaden the definition of “advanced research and development”, (2) specify that one of the goals of AGARDA is to undertake advanced research and development in areas that industry is unlikely to undertake because of technological or financial uncertainty; (3) add royalty payments as monies that the Secretary may accept and deposit into the AGARDA Fund and allow amounts deposited into the Fund to remain available until expended; and (4) modify the termination of effectiveness to 5 years after the date of enactment and provide exceptions to such termination for certain provisions of the section. (Section 7132)

The Managers recognize the need to address high risk and long-term challenges that threaten the stability and economic viability of agriculture in the United States. To do this effectively, the Managers intend to complement existing research efforts by providing new authority to spur innovation. As such, the conference substitute establishes the Agriculture Advanced Research and Development Authority pilot program to carry out advanced research and development of qualified products and projects, agricultural technologies, and research tools.

The Managers encourage the Secretary to establish a robust strategic plan for AGARDA that implements a new approach to problem solving that considers and learns from the successes and experiences of other advanced research and development authorities, such as the Defense Advanced Research Projects Agency (DARPA), the Biomedical Advanced Research and Development Authority (BARDA), and the Advanced Research Projects Agency–Energy (ARPA–E).

The Managers intend that the Secretary of Agriculture use the other transaction authority, when appropriate, in a creative manner and subject to the same terms and conditions as afforded to the Secretary of Defense under DARPA, including that the other transaction authority may be used when a standard contract, grant, or cooperative agreement is not feasible or appropriate.

The Managers expect the Secretary to prioritize projects during the pilot program to meet challenges related to the discovery of solutions to plant and animal disease threats, including those with the highest risk of emerging or moving transboundary, and the discovery of mechanization solutions that will provide viable alternatives for labor intensive aspects of specialty crop production.

The projects funded through this pilot program should address barriers in research and development that support transformative advances that industry by itself is not likely to undertake because of technological or financial uncertainty.

The Managers encourage USDA to partner and collaborate with agencies, relevant industries, academia, and other stakeholders to conduct advanced research and development. The Managers do not intend for USDA to change how other authorized agricultural research programs are funded and implemented due to the establishment of AGARDA.

*(19) Rangeland research programs*

The House bill amends section 1483 of NARETPA to reauthorize appropriations for rangeland research through fiscal year 2023 (Section 7127)

The Senate amendment repeals subtitle M of NARETPA to eliminate the rangeland research program. (Section 7130)

The Conference substitute adopts the House provision. (Section 7134)

*(20) Special authorization for biosecurity planning and response*

The House bill amends section 1484 of NARETPA to increase authorization of appropriations to \$30 million for each fiscal year 2019 through 2023. The House bill authorizes the Secretary to use the funding to enter into cooperative agreements, in addition to awarding competitive grants. It adds that the Secretary shall, in addition to other stated activities, use the funds to coordinate tactical science activities of USDA's Research, Education, and Economics mission area to protect the American agricultural system against biosecurity threats from pests, diseases, contaminants, and disasters. (Section 7128)

The Senate amendment reauthorizes appropriations of \$20 million for each fiscal year through fiscal year 2023. (Section 7131)

The Conference substitute adopts the House provision. (Section 7135)

*(21) Land-grant designation*

The House bill adds a new section to Subtitle C of NARETPA to prohibit the designation of additional entities as eligible to receive funds under a list of "covered programs", including the Hatch Act, the Smith-Lever Act (sections 3(b), (c), and (d)), McIntire-Stennis Act, and programs funding research, extension, and facilities at 1890 land-grant colleges. It also prohibits the increase of the amount of funding a state can receive under a covered program as a result of a state's designation of additional entities as eligible to receive funds under a covered program. The House bill specifies that this new section does not limit eligibility for capacity and infrastructure programs specified in section 251(f)(1)(C) of the Department of Agriculture Reorganization Act of 1994 that are not covered programs. (Section 7118)

The Senate amendment adds a new section to Subtitle P of NARETPA to prohibit the designation of additional entities as eligible to receive funds under a list of "capacity programs", including the Smith-Lever Act (sections 3(b) and (c)), the Hatch Act, McIntire-Stennis Act, and programs funding research, extension, and facilities at 1890 land-grant colleges, and other agricultural research, extension, or education programs relating to capacity and infrastructure. It provides exceptions from the prohibition against new designations for 1994 institutions under the McIntire-Stennis Act, and in extraordinary circumstances, as determined by the Secretary. Additionally, the section prohibits the increase of the amount of funding a state can receive under a capacity program as a result of the designation of additional entities as eligible to receive funds under a capacity program. (Section 7133)

The Conference substitute adopts the House provision with amendments that provide exceptions from the prohibition against new designations for 1994 institutions and in extraordinary circumstances and that make technical changes. (Section 7111)

The Managers support the continuing mission of the U.S. land-grant university system to address local, State, and national priorities concerning food and agricultural sciences. Formula funds provided by USDA support capacity and infrastructure for research, education, and extension programs related to food and agricultural sciences.

Funds allocated to States for agricultural research programs under the Hatch Act and agricultural extension programs pursuant to the Smith-Lever Act are based on individual formulas that take into account rural population and farm numbers. Urban population and State land area are not considered. The efficiencies gained through central administration of research, extension, and education programming within the States



reduce costs while maximizing resources devoted to local, State, and national priorities.

The Managers recognize the budgetary limitations facing the land-grant system of colleges and universities and all other public-sector entities.

Efforts to divide existing land-grant universities under the guise of local control of extension programming would establish separate, distinct administrative units with the effect of duplicating administrative costs and burdens, while significantly disrupting the ability to provide programming on high-priority local, State, and national issues. The Managers address this concern by prohibiting USDA from providing capacity funding to institutions not previously designated as land-grant universities, thereby preserving the capability of the system to address our nation's priorities within the budgetary constraints that currently exist.

*(22) Scholarships for students at 1890 institutions*

The House bill adds a new section to Subtitle G of NARETPA to require the Secretary to award a grant to each 1890 institution to provide scholarships for students who have been accepted for admission and will, within one year, be enrolled at the institution, and who intend to pursue a career in food and agricultural sciences, including a career in: agribusiness; energy and renewable fuels; and financial management. It authorizes appropriations of \$19 million for each of fiscal years 2019 through 2023 and requires that each grant be made in the amount of \$1 million. (Section 7114)

The Senate amendment requires the Secretary to award a grant to each 1890 institution to provide scholarships for students who seek to attend the institution and intend to pursue a career in food and agricultural sciences, including agribusiness; food production, distribution, and retailing; the clothing industries; energy and renewable fuels; and farming marketing, finance, and distribution. It authorizes appropriations of \$19 million for each of fiscal years 2019 through 2023 and requires the Secretary to allocate \$1 million for a fiscal year to each of the 19 eligible institutions. The Senate amendment also establishes findings and purposes related to the program. (Section 7134)

The Conference substitute adopts the House provision with amendments to limit grants to 1890 institutions that have established a competitive scholarship awards process for this scholarship program and restricts the Secretary from using more than \$10 million in mandatory funds to award grants for each academic year from July 1, 2020 through July 1, 2023. The substitute provides that each grant be made in an amount not less than \$500,000. The substitute provides \$40 million in mandatory funding from the Commodity Credit Corporation ("CCC") on October 1, 2019 to remain available until expended and \$10 million in discretionary funding for each of fiscal years 2020 through 2023, with a 4 percent administrative expense cap. The substitute also requires that the Secretary submit a report to Congress every 2 years. (Section 7117)

*(23) National strategic germplasm and cultivar collection assessment and utilization plan*

The Senate amendment amends section 1632 of the Food, Agriculture, Conservation, and Trade Act of 1990 ("FACT Act") to require the Secretary to develop, publish, and implement a national strategic germplasm and cultivar collections assessment and utilization plan. It amends section 1633 to require the Secretary to make such a plan publicly available upon completion. (Section 7205)

The House bill contains no comparable provision.



The Conference substitute adopts the Senate provision. (Section 7205)

The Managers recognize that food security and productivity across growing conditions depend on regionally-adapted cultivars and the maintenance of a robust strategic germplasm, and therefore direct the Secretary to implement an updated assessment of the national strategic germplasm and cultivar collection, as well as the research, education, and capacity updates necessary to meet current and future needs of American farmers and U.S. consumers. The Managers intend the Secretary to make progress on the development of publicly available cultivars, building on direction provided in the Food, Conservation, and Energy Act of 2008, and expect an acceleration in progress on delivering regionally-adapted cultivars that can be used to improve farm productivity, crop marketability, and efficient nutrient use.

*(24) National genetics resources program*

The House bill amends section 1635 of FACT Act to reauthorize the National Genetics Resources Program through fiscal year 2023. (Section 7205)

The Senate amendment is substantially similar to the House bill and also amends the organization of the Advisory Council by adding 4 members and changing the appointment of members, and by adding membership from 1862, 1890, and 1994 institutions and certain other institutions of higher education. The section also instructs the Advisory Council to include recommendations, including on the state of public cultivar development and on the training and resources needed to meet future breeding challenges, research gaps relating to cultivar development. (Section 7206)

The Conference substitute adopts the Senate amendment. (Section 7206)

*(25) Agricultural genome initiative*

The House bill amends section 1671 of FACT Act by including phenome, in addition to genome, within the Agriculture Genome Initiative. The House bill outlines the research initiative goals to expand knowledge concerning genomes and phenomes of crops important to the agriculture sector of the United States. It authorizes appropriations of \$30 million for each of fiscal years 2019 through 2023. (Section 7207)

The Senate amendment similarly amends section 1671 to include phenome, in addition to genome, within the Agriculture Genome Initiative. The Senate amendment also incorporates animals of importance to the agriculture sector of the United States to the research initiative goals and purposes. It authorizes appropriations of \$30 million for fiscal year 2019 through 2023. (Section 7208)

The Conference substitute adopts the Senate provision with an amendment authorizing appropriations of \$40 million for each of fiscal years 2019 through 2023. (Section 7208)

The Managers acknowledge the enormous challenge of efficiently and sustainably producing a safe, dependable food supply for a growing population. Meeting this challenge requires the development and management of crop varieties that will perform well despite increased weather variability. Significant progress has been made by the crop industry in sequencing numerous plant genomes. This genomic knowledge will increase the ability to predict crop performance in diverse environments, enhancing the capability to develop new varieties and to better manage the effects of weather variability on crop productivity. The Managers support a large-scale, inter-disciplinary network of

researchers dedicated to producing and analyzing very large datasets of phenotypes to better predict crop yields.

The Managers recognize the importance of animal genomics research conducted and supported by USDA and strongly supports increased efforts in genomics research on agriculturally important animals to address critical goals including: (1) understanding how environment and production systems impact the growth and productivity of livestock, poultry, and aquaculture to help predict and improve performance under variable conditions; (2) leveraging livestock, poultry, and aquaculture genomic information with phenotypic and environmental data to assist in selection of superior genetics and improved management; (3) understanding gene function in production environments to improve livestock, poultry, and aquaculture performance; and (4) developing improved data analytics to enhance understanding of the biological function of genome sequences in livestock, poultry, and aquaculture. The Managers commend the university community, the private-sector, and USDA for its work to advance animal genomics research and encourages additional focus on these efforts in the future.

*(26) High-priority research and extension*

The House bill amends section 1672 of FACT Act to change the alfalfa and forage research program to the alfalfa seed and alfalfa forage systems research program. It adds the following to the list of high-priority research areas: macadamia tree health, turfgrass, fertilizer management, cattle fever ticks, laying hen and turkey production, chronic wasting disease, and algae. (Section 7208)

The Senate amendment adds the following to the list of high-priority research areas: macadamia tree health, turfgrass, nutrient management, and chronic wasting disease. Additionally, the Senate amendment establishes the Pollinator Health Task Force and amends the provisions governing the coordination of pollinator and honeybee research under section 1672(g). (Sections 7209 & 12620)

The Conference substitute adopts the House provision with amendments to include nutrient management, dryland farming agricultural systems, and hop plants. The substitute also provides for the enhanced coordination of honeybee and pollinator research by the USDA Chief Scientist and requires that to the maximum extent practicable, the Chief Scientist shall make such research results publicly available. (Section 7209)

The Managers are aware that pollinators are responsible for the production of one-third of the U.S. food supply, but that managed honey bees continue to die off in alarming numbers, resulting in steady annual input cost increases to maintain sufficient managed colony numbers to pollinate America's crops. Because of the importance of pollinators in the production of the nation's food supply and their impact on the stability of our agricultural economy, the Managers have included additional honeybee and pollinator research requirements. Specifically, the Managers have included provisions to facilitate coordination of honeybee and pollinator research efforts USDA-wide and ensure adequate input from the pollinator, beekeeper, grower, and scientific communities.

To further address the protection of pollinators, the Managers encourage the continuation of government-wide collaboration and policy development through the Pollinator Health Task Force.

*(27) Organic agriculture research and extension initiative*

The House bill amends section 1672B of FACT Act to add the examination of optimal soil health outcomes relating to organically produced agricultural products to the purposes for which grants may support activities under the program. It reauthorizes appropriations through fiscal year 2023, and increases mandatory CCC funding to \$30 million for each of fiscal years 2019 through 2023. (Section 7209)

The Senate amendment is similar to the House bill except it increases mandatory CCC funding to: \$40 million in each of fiscal years 2019 and 2020; \$45 million for fiscal year 2021; and \$50 million for fiscal year 2022 and each fiscal year thereafter. (Section 7210)

The Conference substitute adopts the Senate provision with an amendment making technical changes and providing mandatory CCC funding of \$20 million in each of fiscal years 2019 and 2020, \$25 million for fiscal year 2021, \$30 million for fiscal year 2022, and \$50 million for fiscal year 2023 and each fiscal year thereafter. (Section 7210)

The Managers recognize that strong investment in organic research, education, and extension has led to growth in the organic industry and the discovery of new research that benefits all farmers, and therefore the conference substitute includes \$395 million in mandatory funding to support organic research. The Managers have provided permanent funding for this program to ensure that the program has baseline funding hereafter. The Managers encourage research funding to be used to continue development of organic solutions for pest and disease management, seed breeding, nutrient management, and improvements in soil health. Organic research is important for developing plant varieties and animal breeds suitable for organic farming, advancing ecosystem services and environmental benefits, creating tools to aid with organic transition, and addressing other needs to advance organic production. The Managers acknowledge that research funding is one of the primary forms of support for organics in the Agriculture Improvement Act of 2018 so the conference substitute increases funding beyond the levels in the Agricultural Act of 2014 to continue development of the organic market.

The Managers also recognize that Aerated Static Pile (ASP) composting with energy recovery is an emerging technology for transforming organic wastes into a stable soil amendment, while also producing sufficient heat energy for on-site hot water heating needs. The Managers encourage USDA to continue to support emerging organic waste management practices.

*(28) Farm business management*

The House bill amends section 1672D of FACT Act to reauthorize the program through fiscal year 2023 and clarify that grants may be made to expand a national farm financial management database. The House bill also amends the selection criteria to include prioritization of applications that collaborate with educational programs, and those that contribute data to the national farm financial management database. (Section 7210)

The Senate amendment reauthorizes the program through FY 2023. (Section 7211)

The Conference substitute adopts the House provision. (Section 7211)

*(29) Urban, indoor, and other emerging agriculture production research, education, and extension initiative*

The Senate amendment authorizes competitive research and extension grants to support research, education, and extension activities for the purposes of enhancing urban, indoor, and other emerging agricultural production. Priority may be given to grant proposals that involve the cooperation of multiple entities, or States or regions with a high concentration of or significant interest in urban farms, rooftop farms, and indoor production facilities. The Senate amendment provides \$4 million in mandatory CCC funds for each of fiscal years 2019 through 2023 and authorizes appropriations of an additional \$10 million for each of fiscal years 2019 through 2023. It requires the Secretary to conduct a census of urban, indoor, and other emerging agricultural production and provides a separate authorization of an additional \$14 million for the period of fiscal years 2019 through 2021 to carry out this census. (Section 7212)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with amendments striking the inclusion of assessment of shipping and transportation impacts on nutritional values for research under the competitive research and extension grants, providing \$10 million in mandatory CCC funds for fiscal year 2019 to remain available until expended, and making other technical changes. (Section 7212)

The Managers recognize that methods of agricultural production are changing and evolving across the country. For example, agricultural production occurs on vacant land in urban areas, contributing to economic recovery and creating opportunities for new farmers. Highly-efficient indoor farms grow fresh produce in areas near consumers to increase access to their products year-round. Rooftop agriculture produces local food and creates new entrepreneurial opportunities in urban, suburban, and rural areas. The Managers recognize that these and other emerging agriculture production methods bring a new generation of farmers and connect consumers to agriculture. The Managers intend for the Secretary to fund research, education, and extension that support these efforts and address the specific research needs and challenges faced by urban, indoor and other emerging agricultural production methods.

*(30) Centers of excellence at 1890 institutions*

The Senate amendment amends section 1673 of FACT Act to require the Secretary to establish at least three centers of excellence, each led by an 1890 institution, to focus on one or more of the following: student success and workforce development; nutrition, health, wellness, and quality of life; farming systems and rural prosperity; global food security and defense; natural resources, energy and the environment; and emerging technologies. It requires the Secretary to submit a report to Congress on the resources invested in and work being done by those centers of excellence and authorizes \$10 million for each of fiscal years 2019 through 2023. (Section 7213)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with amendments specifying that the Secretary shall recognize at least three centers of excellence and making technical changes. (Section 7213)

The Managers encourage the Secretary, through the National Institute of Food and Agriculture, to consider the views of the 1890 universities, the 1890 Universities Foundation, and the National Institute of Food and Agriculture's (NIFA) peer review systems in determining the appropriate criteria for recognizing 1890s Centers of Excellence. The process should ensure that both smaller and larger 1890 universities have

an opportunity to participate in authorized center of excellence program activities. Funding should be restricted to programmatic activities, and not include construction activities.

*(31) Assistive technology program for farmers with disabilities*

The House bill reauthorizes appropriations through fiscal year 2023 for demonstration grants to provide agricultural education and assistance to individuals with disabilities engaged in farming or farm-related occupations. It adds language to clarify that the provision applies to veterans engaged in farming or farm-related occupations, or who are pursuing new farming opportunities. (Section 7211)

The Senate amendment reauthorizes appropriations for the demonstration grants through fiscal year 2023. (Section 7214)

The Conference substitute adopts the House provision. (Section 7214)

*(32) National food safety training*

The House bill amends section 405 of the Agricultural Research, Extension, and Education Reform Act of 1998 (“AREERA”) to reauthorize appropriations of such sums as necessary for fiscal years 2019 through 2023. The House bill strikes the prohibition on funding that restricts USDA from providing additional grant funding once an entity has received three years of grant funding. (Sections 7300 and 7301)

The Senate amendment amends section 405 by striking “such sums as necessary” and specifying an authorization of appropriations of \$10 million for each of fiscal years 2019 through 2023. (Section 7301)

The Conference substitute adopts the House provision with an amendment to authorize appropriations of \$10 million for each of fiscal years 2019 through 2023. (Section 7301)

*(33) Support for research regarding diseases of wheat, triticale, and barley caused by fusarium graminearum or by tilletia indica*

The House bill reauthorizes appropriations of \$10 million for each of fiscal years 2019 through 2023. (Section 7303)

The Senate amendment reauthorizes appropriations at an increased level of \$15 million for each of fiscal years 2019 through 2023. (Section 7303)

The Conference substitute adopts the Senate provision with an amendment restricting grant recipients from using more than 10 percent of the grant funds for indirect costs. (Section 7303)

*(34) Specialty crop research initiative*

The House bill expands the specialty crop research and extension initiative to include research of “size-controlling rootstock systems for perennial crops,” “emerging and invasive species,” and “threats to specialty crop pollinators,” among other production practices and technologies. It reauthorizes appropriations of \$100 million annually through fiscal year 2023. Additionally, the House bill extends reservation of mandatory funding for the emergency citrus disease research and extension program and reauthorizes discretionary funding through fiscal year 2023. (Section 7305)

Similar to the House bill, the Senate amendment expands the specialty crop research and extension initiative to include additional production practices and technologies. (Section 7305)

The Conference substitute adopts the Senate provision. (Section 7305)

The Managers recognize that the funding for research programs for specialty crops should generally be made available to all specialty crops and not include carve-outs or set-asides for any one particular specialty crop. The Managers also acknowledge the unique challenges presently facing the citrus industry in the United States with respect to HLB and the Asian Citrus Psyllid vector. In direct response to a joint request from the leadership of the citrus industry and other specialty crop stakeholders, the Managers have agreed to establish a Citrus Trust Fund to support the Emergency Citrus Disease Research and Extension Program for one additional five-year period. The Managers intend for this program to address this challenge at this particular time and do not intend for such program to continue in perpetuity.

The Managers are aware of concerns that prioritizing grants that are multi-state, multi-institutional, or multi-disciplinary disproportionately impacts the funding success of projects for certain commodities grown only in one state. The Managers encourage the Secretary to take appropriate steps to ensure that meritorious proposals are not denied solely because they lack one of the enumerated priorities.

*(35) Critical agricultural materials act*

The House bill reauthorizes appropriations for fiscal years 2019 through 2023. (Section 7501)

The Senate amendment specifies that hemp, as defined in section 297A of the Agricultural Marketing Act of 1946, is eligible for funding under the Critical Agricultural Materials Act. The Secretary shall conduct, sponsor, promote, and coordinate basic and applied research for the development of critical agricultural materials from agricultural crops having strategic and industrial importance, including for hemp. The Senate amendment also reauthorizes appropriations for fiscal years 2019 through FY 2023. (Section 7401)

The Conference substitute adopts the Senate provision. (Section 7501)

*(36) Equity in Educational Land-Grant Status Act of 1994*

The House bill amends section 532 of the Equity in Educational Land-Grant Status Act of 1994 to add to and update the defined list of 36 tribal colleges as “1994 Institutions.” The House bill reauthorizes endowment funding, capacity-building grants, and research grants for the 36 tribal colleges for fiscal years 2019 through 2023. (Section 7502)

The Senate amendment is substantially similar to the House bill with technical differences.

The Conference substitute adopts the House provision with an amendment specifying that the effective date for the updated list shall be the date of enactment. (Section 7502)

*(37) Research Facilities Act*



The House bill amends the Research Facilities Act by: (1) amending the definition of “agricultural research facility” to strike “a college, university, or nonprofit institution” and inserting “an entity eligible to receive funds under a capacity and infrastructure program as defined in Section 251(f)(1)(C) of the 1994 Agriculture Reorganization Act”; (2) requiring proposals to demonstrate that the recipient entity has the ability and commitment to support the long-term, ongoing maintenance costs of the facility; and (3) establishing a program to make competitive grants to assist in the construction, alteration, acquisition, modernization, renovation, or remodeling of agricultural research facilities.

The House bill also reauthorizes appropriations under the Research Facilities Act through fiscal year 2023 and provides that funds appropriated remain available until expended. The House bill prohibits more than 25 percent of the funds under the Act for a fiscal year to be made available to any single agricultural research facility and limits an eligible entity to receiving funds for only one project at a time under the Act. (Section 7503)

The Senate amendment reauthorizes appropriations under the Research Facilities Act through fiscal year 2023. (Section 7403)

The Conference substitute adopts the House provision. (Section 7503)

*(38) Competitive, Special, and Facilities Research Grant Act (AFRI)*

The House bill amends the Competitive, Special, and Facilities Research Grant Act by adding to the priority research areas of the Agriculture and Food Research Initiative the following: (1) soil health; (2) tools that accelerate research in the use of automation or mechanization for labor-intensive tasks in crop production and distribution; and (3) barriers to entry for young, beginning, socially disadvantaged, veteran, and immigrant farmers and ranchers. The House bill also makes several amendments to relieve or impose matching fund requirements for various research purposes, reauthorizes appropriations through fiscal year 2023, and increases to 5 percent the amount of appropriated funds that the Secretary may retain for administrative costs. (Section 7504)

The Senate amendment adds the following to the priority research areas: soil health and automation or mechanization in the production and distribution of specialty crops, with a focus on labor-intensive tasks. The Senate amendment authorizes the Secretary to provide grants to carry out collaboration in biomedical and agricultural research using existing research models and reauthorizes appropriations through fiscal year 2023. (Section 7404)

The Conference substitute adopts the House provision with an amendment striking the changes to matching funds requirements for various research purposes, which are made in section 7614, and authorizes the Secretary to provide grants to carry out collaboration in biomedical and agricultural research using existing research models. (Section 7504)

The Managers understand in July 2018, the National Academies of Sciences, Engineering, and Medicine (NASEM) released its “Science Breakthroughs to Advance Food and Agricultural Research by 2030” consensus report which identifies five priority research areas essential to developing a more efficient, resilient, sustainable, and competitive U.S. agricultural system. The Managers urge the Secretary to utilize this report to identify opportunities for additional agricultural research investments directed

towards the Agriculture and Food Research Initiative (AFRI), NIFA's flagship competitive research program, which sets the standard for scientific innovation in these fields.

The Dual Purpose with Dual Benefit: Research in Biomedicine and Agriculture Using Agriculturally Important Domestic Species is an interagency partnership grants program funded by the National Institute of Child Health and Human Development (NICHD) and the USDA. Both the USDA and the National Institute of Health (NIH) should be commended for developing this important interagency program. The Managers strongly urge continuation of this partnership given the sponsors use of farm animals as dual purpose models to better understand developmental origins of disease, fat regulation and obesity, stem cell biology, assisted reproductive technologies, and infectious diseases, all of which directly benefit both agriculture and biomedicine. This program also strengthens ties between human medicine, veterinary medicine, and animal sciences, which is key to success of the One Health Initiative.

*(39) Extension design and demonstration initiative*

The Senate amendment amends the Competitive, Special, and Facilities Research Grant Act to establish a competitive grant program to encourage the design of adaptive prototype systems for extension and education. Eligible entities for the grant are State agricultural experiment stations and land-grant colleges and universities. There is an authorization of appropriations of \$5 million for each of fiscal years 2019 through 2023. (Section 7405)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment specifying that the Secretary shall award grants each fiscal year and that eligible entities also include a cooperative extension service and making technical changes. (Section 7505)

*(40) Repeal of review of agricultural research service*

The Senate amendment repeals section 7404 of the Farm Security and Rural Investment Act of 2002 that required the one-time review of the Agricultural Research Service. (Section 7408)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 7506)

*(41) Biomass research and development*

The House bill amends section 9008 of the Farm Security and Rural Investment Act of 2002 by reauthorizing appropriations for each of fiscal years 2019 through 2023. (Section 7509)

The Senate amendment amends the definition of "biobased product" to include carbon dioxide intended for permanent sequestration that is a byproduct of certain commercial and industrial products. It adds an expert in carbon dioxide capture, utilization, and sequestration to the membership of the Biomass Research and Development Technical Advisory Committee. In addition to reauthorizing appropriations for each of fiscal years 2019 through 2023, the Senate amendment provides \$3 million in mandatory CCC funds for each of fiscal years 2019 through 2023. (Section 7409)

The Conference substitute adopts the Senate provision with an amendment

striking the \$3 million in mandatory CCC funding for fiscal years 2019 through 2023. (Section 7507)

*(42) Reinstatement of District of Columbia Matching Requirement--Extension*

The House bill amends section 209 of the District of Columbia Public Postsecondary Education Reorganization Act to reinstate the DC land-grant matching requirement. The effective date of this provision is October 1, 2018. (Section 7603)

The Senate amendment also reinstates the D.C. land-grant matching requirement, with technical differences from the House bill. (Section 7410)

The Conference substitute adopts the House provision. (Section 7508)

*(43) Enhanced use lease authority program*

The House bill amends section 308 of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 to transition the lease authority program out of “pilot” status, to specify a June 18, 2023 termination date for the program, and to require periodic reports not later than June 18, 2019, June 18, 2021, and June 18, 2023. The House bill also clarifies that the prohibition against public retail development applies to onsite public retail development. (Section 7601)

The Senate amendment extends the lease authority to terminate on a date that is 15 years after the date of enactment of section 308, and to require a report not later than 13 years after the date of enactment of section 308. (Section 7411)

The Conference substitute adopts the House provision with an amendment striking the clarification for the prohibition against onsite public retail development, establishing September 30, 2023 as the termination date of the program, and requiring a report not later than September 30, 2021. (Section 7601)

The Managers intend that the enhanced use lease authority prohibit retail sales on Agricultural Research Service (ARS) property that generate foot traffic including, but not limited to, food and clothing stores where customers physically visit retailers for an exchange of goods and services.

*(44) Transfer of administrative jurisdiction, portion of Henry A. Wallace Beltsville Agricultural Research Center, Beltsville, Maryland*

The House bill authorizes the Secretary of Agriculture to transfer a parcel of real property at the Henry A. Wallace Beltsville Agricultural Research Center to the administrative jurisdiction of the Secretary of the Treasury for the purpose of establishment of Bureau of Engraving and Printing facilities on the parcel and specifies the conditions of the transfer, including requiring an appraisal by Secretary of Treasury to determine the fair market value of the parcel. (Section 7605)

The Senate amendment provides the Secretary of Agriculture with authority to transfer the same parcel of property to the Secretary of the Treasury as the House bill. The Senate amendment also specifies the conditions of the transfer, but does not include an appraisal requirement. (Section 7412)

The Conference substitute adopts the Senate provision with an amendment requiring that the Secretary of Agriculture enter into a binding memorandum of agreement with the Secretary of Treasury in regard to the responsibilities of each party for evaluating and, if necessary, remediating any hazardous materials found at the parcel. (Section 7602)

*(45) Foundation for food and agriculture research*

The Senate amendment amends section 7601 of the Agricultural Act of 2014 to require the Board of Directors for the Foundation for Food and Agriculture Research to actively solicit and accept any funds, gifts, grants, devises, or bequests of real or personal property made to the Foundation, including from private entities. It also requires that the Foundation post its annual report online and publish an annual stakeholder notice with a description of agricultural research priorities for the upcoming fiscal year. Additionally, the Senate amendment directs the Foundation to submit to Congress a strategic plan describing a path for the Foundation to be self-sustaining. The Senate amendment requires the Secretary, on the date of enactment, to transfer \$200 million of funds from the CCC to the Foundation, to remain available until expended. (Section 7413)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment. The amendment specifies that the Foundation's coordination of activities with Federal research and development programs avoids conflicts at the Department of Agriculture and requires that the Foundation document its consultation process with the Secretary and include a summary in the Foundation's annual report. The substitute provides that the strategic plan should include a detailed plan for soliciting additional resources and managing and leveraging such resources. The Secretary is to transfer \$185 million of funds from the CCC to the Foundation on the date that the Foundation submits its strategic plan. (Section 7603)

The Managers recognize the work done by the Foundation for Food and Agriculture Research (FFAR) to leverage private funding, matched with federal dollars to support public agricultural research. It is the Managers' intent that FFAR continue to plan for long-term self-sustainability through comprehensive strategic planning, ongoing public outreach, and donor solicitation.

The Managers intend for the FFAR to foster public-private partnerships among the agricultural research community, including federal agencies, academia, non-profit organizations, corporations and individual donors to identify and prioritize the most pressing needs facing agriculture.

The Managers are aware that FFAR is organized and operated exclusively for charitable, educational, and scientific purposes as a nonprofit corporation consistent with section 501(c)(3) of the Internal Revenue Code. As such, no substantial part of its activities may be to attempt to influence legislation.

FFAR has received funding provided by the Federal Government. The Managers direct that FFAR have in place management and recordkeeping systems to ensure that no Federal funds are used to carry out any activity to attempt to influence legislation. The Managers expect that FFAR will provide any such records to the Committee on Agriculture of the House of Representatives or the Committee on Agriculture, Nutrition, and Forestry of the Senate, upon request.

*(46) Assistance for forestry research under the McIntire-Stennis Cooperative Forestry Act*

The Senate amendment amends section 2 of the McIntire-Stennis Cooperative Forestry Research Act to include 1994 Institutions that offer an associate's degree or a

baccalaureate degree in forestry to be eligible for assistance for forestry research. (Section 7414)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 7604)

*(47) Legitimacy of industrial hemp research*

The Senate amendment amends section 7606 of the Agricultural Act of 2014 to require the Secretary to conduct a study on the hemp research pilot program that includes a review of the economic viability of the domestic production and sale of industrial hemp and hemp products, and to submit a report describing the study to Congress within 120 days. The provision also repeals the hemp research pilot programs one year after the Secretary publishes a final regulation allowing for full-scale commercial production of hemp as provided in section 297C of the Agricultural Marketing Act of 1946. (Section 7415)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment that requires the Secretary to submit a report describing the study not later than 12 months after the date of enactment. (Section 7605)

*(48) Collection of data relating to barley area planted and harvested*

The Senate amendment directs the National Agricultural Statistics Service to include New York in the states surveyed for the table entitled “Barley Area Planted and Harvested” in certain reports. (Section 7416)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 7606)

*(49) Collection of data relating to the size and location of dairy farms*

The Senate amendment requires the Administrator of the Economic Research Service (ERS) to update the report entitled “Changes in the Size and Location of US Dairy Farms” published in September 2007. As part of the update, it requires that the Secretary include an expanded Table 2 containing the full range of herd sizes detailed in Table 1. The report shall be updated no later than 120 days after the date of enactment. (Section 7417)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment specifying that the report shall be updated not later than 60 days after the 2017 Census of Agriculture is released. Instead of requiring an expanded Table 2, the substitute directs that the Secretary, to the maximum extent practicable, use the same reporting measurement of the full range of herd sizes in Tables 1 and 2 while protecting the confidentiality of individual producers. (Section 7607)

*(50) Agriculture innovation center demonstration program*

The House bill reauthorizes appropriations for the Agriculture Innovation Center Demonstration Program through fiscal year 2023. (Section 6502)

The Senate amendment strikes subsection (g) of section 6402 of the Farm Security and Rural Investment Act of 2002 to eliminate the requirement for the Secretary to use \$300,000 to support research on the effects of projects for value-added agricultural



commodities on agricultural producers and commodity markets. It also authorizes such sums as necessary to carry out the program. (Section 7418)

The Conference substitute adopts the Senate provision with an amendment specifying that the Board of Directors for each Agriculture Innovation Center be composed of a diverse group of representatives from public and private entities, including four entities representing commodities produced in the State and may include a State legislator. The substitute also strikes the report to Congress and authorizes the appropriation of \$15,000,000 for each of fiscal years 2019 through 2023. (Section 7608)

*(51) Smith-Lever community extension program*

The Senate amendment amends the Smith-Lever Act to permit the Secretary to provide competitive grant funding to: (1) 1890 colleges and Tuskegee University; and (2) 1994 Institutions for the Children, Youth, and Families at Risk program and the Federally Recognized Tribes Extension Program. The Senate amendment provides that the exception to the matching funds shall not apply to the competitive grant funding awarded to a 1994 Institution for the Children, Youth, and Families at Risk program and the Federally Recognized Tribes Extension Program. (Section 7419)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with amendments making technical changes and striking the changes made to the matching funds exception for 1994 Institutions. (Section 7609)

*(52) Grazing lands research laboratory*

The House bill amends section 7502 of the Food, Conservation, and Energy Act of 2008 to extend from 10 to 15 years, the prohibition on declaring Federal land and facilities at El Reno, Oklahoma as excess or surplus property or conveying or transferring such land and facilities. (Section 7411)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 7411)

*(53) Farm and stress assistance network*

The House bill amends section 7522 of the Food, Conservation, and Energy Act of 2008 to reauthorize such sums as necessary for each of fiscal years 2019 through 2023. The House bill requires “consultation” as opposed to “coordination” with the Secretary of Health and Human Service, clarifies that grants may be used to train individuals who may assist farmers in crisis, makes Indian tribes eligible for grants, and requires a review of the program within two years after the first grant is awarded. (Section 6003)

The Senate amendment authorizes the appropriation of \$10 million for each of fiscal years 2019 through 2023. It clarifies that grants may be used for training programs and workshops for advocates and other individuals who may assist farmers in crisis. The Senate amendment authorizes grants to be used to enter into contracts with community-based, direct-service organizations to initiate, expand, or sustain programs and not later than one year after the date of enactment, requires a report by the Secretary of Agriculture, in coordination with the Secretary of Health and Human Services, describing the state of behavioral and mental health in farmers and ranchers. (Section 7511)

The Conference substitute adopts the Senate provision with an amendment making Indian tribes eligible for grants. (Section 7412)



The Managers recognize with the inclusion of this provision that farmers and individuals who work in agriculture face highly stressful working conditions, which can contribute to serious behavioral health concerns, especially during downturns in the farming economy. Historically, there have been efforts to address these concerns, including through programs characteristic of the 1980s farm crisis and recognition of this issue in the Food, Conservation, and Energy Act of 2008.

The Managers recognize that in the absence of federal support for such efforts, state and local organizations have worked to address behavioral health concerns among those who work in agriculture. The Managers emphasize the importance of moving quickly to get the Farm and Ranch Stress Assistance Network operating effectively, given current conditions in the farming economy. The Managers intend that priority be given to grantees with demonstrated experience and those that intend to collaborate with organizations focused on behavioral health concerns, including non-profit organizations.

The Managers intend for this provision to facilitate the development and positive impact of a nationwide network accessible to all farmers and individuals who work in agriculture and that priority be given to grantees with this capability, including the State cooperative extension services.

The Managers direct that USDA and the Department of Health and Human Services examine the problem of occupational stress among farmers and individuals who work in agriculture to develop a long-term strategy and response.

*(54) Mechanization and automation for specialty crops*

The Senate amendment requires that not later than 180 days after the enactment of the Agriculture Improvement Act of 2018, the Secretary conduct a review of programs at the Department of Agriculture that affect the production or processing of specialty crops, and develop and implement a strategy to accelerate the development and use of automation and mechanization in the production or processing of specialty crops.

(Section 7514)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 7610)

The Managers note that labor availability is one of the most critical challenges facing the labor-intensive specialty crop sector both in the short and long term. Committee hearings in Washington, D.C. and field hearings around the country have documented the need for proper solutions for mechanization challenges. The Managers therefore request the research agencies in the USDA more vigorously fund this vital research priority through their respective programs.

*(55) Experienced services program*

The Senate amendment amends section 1252 of the Food Security of 1985 to rename the ACES program the Experienced Services Program. It expands the program to include technical, professional, and administrative services for the research, education, and economics mission area at USDA. (Section 12305) The Senate amendment also terminates the authority in section 1252 effective on October 1, 2023. (Section 2408)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provisions with an amendment making technical changes. (Section 7611)

*(56) Functions and duties of the Under Secretary for Research, Education, and Economics*

The House bill amends section 251 of the Department of Agriculture Reorganization Act of 1994 to add to the functions of the Under Secretary for research, education, and economics the requirement to ensure that agricultural economics and statistical programs are effectively coordinated and integrated and that such programs, along with agricultural research, education, and extension programs, address the priority research areas of the Agriculture and Food Research Initiative. (Section 7602)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(57) Farmland tenure, transition, and entry data initiative*

The House bill directs the Secretary to collect and report annually data and analysis on farmland ownership, tenure, transition, and entry of beginning farmers or ranchers. It authorizes appropriations of \$2 million each fiscal year for fiscal years 2019 through 2023. (Section 7604)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(58) Simplified plan of work*

The House bill amends the requirements for the submission of plans of work by land-grant institutions with respect to the use of formula funds and state matching funds under the Hatch Act, Smith-Lever Act, and similar formula funds provided to the 1890 land-grant universities. It provides that the procedures of such plans of work are not subject to audits to determine their sufficiency. (Section 7606)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment that strikes the changes with respect to audits. (Section 7612)

The Managers expect that implementation of this section will result in a more streamlined, concise, and less burdensome plan of work. The Managers encourage the Secretary to engage land-grant institutions in the implementation of this section.

*(59) Time and effort reporting exemption*

The House bill exempts entities receiving certain funds from time and effort reporting requirements under part 200 of title 2 of the *Code of Federal Regulations* with respect to the use of such funds. (Section 7607)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with amendments requiring that the Secretary consult with the Office of Management and Budget in reviewing and revising the time and effort reporting requirements and that such revisions reduce the amount of paperwork and time required under the current reporting requirements. (Section 7613)

The Managers are concerned that administratively, land-grant capacity funds have burdensome reporting requirements. Land-grant capacity funding, provided via a statutory formula, requires matching funds from the states and is further supported by local funding, enabling institutions to sustain research capabilities and extension operations in a manner that reflects the direct input of local constituencies. The Managers

note that recipients of capacity funds operate under various levels of oversight and accountability, including state and local governments, leadership within the colleges of agriculture, leadership within the university institutions, and most importantly, the local constituencies they serve. The Managers encourage USDA to consider these factors while reviewing and revising current reporting requirements.

The Managers encourage the administration to consider granting an exemption as outlined in 2 CFR 200.102 to land-grant capacity funds. The Managers direct the Administration to work with the land-grant entities who receive capacity funds, including representatives of 1862, 1890, and Cooperative Forestry Institutions, in the implementation of this section.

*(60) Public education on biotechnology in food and agriculture sectors*

The House bill requires the Secretary, in consultation with the Secretary of Health and Human Services, the Secretary of Education, and other appropriate persons and organizations, to develop and carry out a national science-based education campaign to increase public awareness regarding the use of technology in food and agriculture production. (Section 7608)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(61) Matching funds requirement*

The House bill amends section 1492 of NARETPA by removing competitive grants awarded under the Competitive, Special, and Facilities Research Grant Act from among those covered by the matching requirements under section 1492. (Section 7130)

The Senate amendment repeals section 1492 and reinstates the matching requirements in place prior to the Agricultural Act of 2014 for competitive grants awarded by the Secretary under: (1) NARETPA; (2) Title XVI of the Food, Agriculture, Conservation, and Trade Act of 1990; (3) the Agricultural Research, Extension, and Education Reform Act of 1998; (4) Part III of subtitle E of title VII of the Food, Conservation, and Energy Act of 2008; or (5) the Competitive, Special, and Facilities Research Grant Act. (Section 7601)

The Conference substitute adopts the Senate provision. (Section 7614)

The Managers intend to remove the universal matching requirement for competitive grants established in the Agricultural Act of 2014.

*(62) Research and extension funding equity for recently designated 1890 institutions*

The House bill amends section 1444 and 1445 of NARETPA to provide that any institution designated as an eligible 1890 institution on or after September 30, 1999 shall be deemed to have been designated as an eligible institution on or before September 30, 1978, and thus eligible for a proportional share of the 1890 extension and research formula funds allocated among institutions designated as such prior to September 30, 1978. (Section 7113)

The Senate amendment amends section 1444 of NARETPA to add a new subsection (a)(5) authorizing additional appropriations for one of fiscal years 2019, 2020, 2021, or 2022 to ensure that an eligible institution receiving a distribution of funds under this section for that fiscal year receives not less than the amount of funds received by that eligible institution under this section for the preceding fiscal year. It also requires that for

1 of fiscal years 2019, 2020, 2021, or 2022, if the 1890 formula would result in a distribution of less than \$3,000,000 to an eligible institution that first received funds under this section after the date of enactment of the Agricultural Act of 2014 for a fiscal year, that institution shall receive a distribution of \$3,000,000 for that fiscal year; however, it provides that this requirement only applies if additional amounts are appropriated under the new subsection (a)(5) for the prior fiscal year. The Senate amendment amends section 1445 of NARETPA in a similar manner. (Section 7602)

The Conference substitute adopts the Senate provision with amendments. The amendments establish a minimum additional funding amount for eligible entities in the fiscal years following certain eligible entities' qualification for \$3 million. If there are insufficient funds appropriated for section 1444 or section 1445 to continue the minimum additional funding amounts for eligible institutions, the substitute provides for a reduction in allocations made to eligible institutions. (Section 7115)

### **Additional Report Language**

The Managers recognize the importance of the aerial application of pest control tools. These tools are useful not only to ensure overall food safety and food security, but also to promote public health through improved mosquito control techniques. The ARS Aerial Application Technology Program conducts innovative research making aerial applications more efficient, effective, and precise. This program has yielded more effective public health control programs, as well as increased efficiencies and greater crop production. Research for aerial application serves the public interest as a vital tool for the future.

The Managers recognize the statutory intent of the Food and Agriculture Service Learning Program is to fund projects that deliver experiential learning on food, agriculture, and nutrition education that require significant investments in human capital and evidence-based programming. As such, the Managers encourage NIFA to maximize grant size to ensure meaningful outcomes and robust evaluation. The Managers recognize the importance of community service partnerships for developing and implementing experiential food, nutrition, and farm-to-school curricula. The Managers encourage NIFA to coordinate with other federal agencies engaged in national community service programs when administering the Food and Agriculture Service Learning Program.

USDA is the federal government's primary agency charged with promoting good nutrition and the delivery of food assistance to Americans of all ages. There is strong evidence that nutrition plays a vital role in how a person ages. The U.S. has a rapidly aging population. Research into nutrition benefits aging Americans by keeping them active longer, delaying or reducing the effects of chronic illnesses and obesity, and reducing health care costs for such diseases. The ARS provides critical support for human nutrition research through its nutrition research centers. The Managers support the investment in human nutrition research, especially as it affects the aging population, and expects ARS to continue strong support for nutrition research and existing centers.

## Title VIII– Forestry

### *(1) State and private forest landscape-scale restoration program*

The House bill subsection (a) of the new program enumerates the purpose of the program as supporting activities that result in improvements to public benefits derived from State and private forest land; subsection (b) provides for the relevant definitions; subsection (c) establishes the program that provides financial and technical assistance for projects that maintain or improve benefits to trees and forests on land; subsection (d) enumerates the requirements under the program; subsection (e) requires the Secretary to establish a measurement tool to quantify the results of projects; subsection (f) allocates funding for projects equally between a national competitive process and to States; subsection (g) requires that the allocation through the competitive process maximize the achievement of the objects of the program as well as requires the submission of proposals to the Secretary to be considered for the competitive process and subsection (h) requires the Secretary to submit a report to Congress. Subsection (i) authorizes \$10,000,000 to carry out the program for each of fiscal years 2019 through 2023, to remain available until expended. (Section 8104)

The Senate amendment establishes a competitive grant program for financial and technical assistance to encourage collaborative, science-based restoration of priority forest landscapes. The program requires collaboration and consultation regarding the identification of other applicable resources towards landscape-scale restoration. The provision authorizes \$20 million to be appropriated toward these grants each fiscal year through 2023, to remain available until expended, deposited in the “State and Private Forest Landscape-Scale Restoration Fund” . (Section 8101)

The Conference substitute adopts the Senate amendment. (Section 8101)

The Managers include reforms to the Landscape Scale Restoration program. The Managers direct the U.S. Forest Service to administer this program as a competitively awarded grant program to carry out science based, landscape-scale restoration work. The Managers recognize the importance of conducting landscape-scale restoration on both state and private land in cross boundary work. The Managers also encourage the U.S. Forest Service to coordinate with the Natural Resources Conservation Service, State Foresters, and other stakeholders on an ongoing basis regarding the administration and identification of other applicable resources for landscape-scale restoration.

### *(2) Repeal of recycling research*

The Senate amendment repeals the wood fiber recycling research program. (Section 8201)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 8201)

### *(3) Repeal of forestry student grant program*

The Senate amendment repeals the forestry student grant program. (Section 8202)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 8202)

### *(4) Repeals*

The Senate amendment repeals the study on reforestation and improved management in section 2410 of the Global Climate Change Prevention Act of 1990. (Section 8301).

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 8301)

*(5) Promoting cross-boundary wildfire mitigation*

The House bill authorizes cross-boundary wildfire mitigation under certain circumstances, authorizes the Secretary to use other related authorities for projects, directs interagency cooperation and encourages the Secretary to use certain excess funds towards these projects, including through grants to state foresters, capped at the greater of either 20 per cent of the excess or \$20 million. The bill provides that only laws and regulations that apply to non-federal land apply to a project. (Section 8332)

The Senate amendment authorizes cross-boundary hazardous fuel projects, defines certain terms, authorizes grants to state foresters, authorizes the Secretary to use other related authorities for grant projects, directs interagency cooperation and authorizes \$20 million in appropriations for each of FY 2019 through 2023. (Section 8401)

The Conference substitute adopts the Senate amendment. (Section 8401)

The Managers recognize the risks of catastrophic wildfire to life, property, and infrastructure and have consequently provided several new authorities, including this authority to promote cross-boundary wildfire mitigation, to the Forest Service to address the threat of wildfire and promote restoration of Federal and non-Federal land. The Managers expect the Department of Agriculture to utilize this and other new authorities in an expeditious manner in order to ensure the restoration of Federal and non-Federal land and to address the threat of catastrophic wildfire.

*(6) Authorization of appropriations for hazardous fuel reduction on federal land*

The Senate amendment amends section 108 of the Healthy Forests Restoration Act of 2003 and reauthorizes the hazardous fuel reduction on Federal land program at \$660 million annually through FY 2023. (Section 8402)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 8402)

*(7) Repeal of biomass commercial utilization grant program*

The Senate amendment amends section 203 of the Healthy Forests Restoration Act of 2003 to repeal the Biomass Commercial Utilization Grant program. (Section 8403)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 8403)

*(8) Water source protection program*

The Senate amendment establishes the Water Source Protection Program to carry out forest restoration projects at watershed levels on National Forest System (NFS) land. It authorizes the use of partnership agreements with non-Federal partners to carry out activities and provides an authorization of appropriations of \$10 million annually through FY2023. (Section 8404)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 8404)



*(9) Watershed condition framework*

The Senate amendment requires the Secretary of Agriculture, acting through the Chief of the Forest Service, to establish and maintain a watershed condition framework for NFS land. (Section 8405)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with a modification that authorizes the Secretary to establish and maintain a watershed condition framework. (Section 8405)

*(10) Authorization of appropriations to combat insect infestations and related diseases*

The Senate amendment makes various modifications to section 406 of the Healthy Forests Restoration Act of 2003 and provides a termination of effectiveness on Oct. 1, 2023. (Section 8406)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 8406)

*(11) Authorization of appropriations for designation of treatment areas*

The Senate amendment amends section 602 of the Healthy Forests Restoration Act of 2003 and eliminates the authorization of appropriations for insect and disease treatment areas. (Section 8408)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 8408)

*(12) Administrative review of collaborative restoration projects*

The House bill directs the Secretary to initiate a rulemaking to clarify that the following project characteristics do not need to be examined as part of determining whether extraordinary circumstances preclude a Categorical Exclusion (CE) under National Environmental Policy Act (NEPA); whether a project is within a proposed wilderness area; whether a project impacts a Forest Service sensitive species; the cumulative impact of a project when added to other past, present, and reasonably foreseeable future actions; whether a project may affect, but is not likely to adversely affect, a listed species or designated critical habitat; and whether a project may affect, and is likely to adversely affect, a listed species or designated critical habitat, if the project is in compliance with the applicable provisions of the biological opinion. It eliminates the requirement to perform an environmental impact statement for all projects that would substantially alter a potential wilderness area. The bill requires that the rulemaking be completed within 120 days of enactment. (Section 8503)

The Senate amendment requires the Secretary to apply extraordinary circumstances to section 603 of the Healthy Forests Restoration Act of 2003. (Section 8409)

The Conference substitute deletes both provisions.

*(13) Repeal of revision of strategic plan for forest inventory and analysis*

The Senate amendment amends section 8301 of the Agricultural Act of 2014 and repeals the authority that provided for a one-time revision of strategic plan for forest inventory and analysis. (Section 8501)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 8501)

*(14) Semiarid agroforestry research center*

The Senate amendment amends section 1243(d) of the Food, Agriculture, Conservation, and Trade Act of 1990 and extends the authority for the semiarid agroforestry research center through 2023. (Section 8502)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 8502)

*(15) Conveyance of forest service administrative sites*

The Senate amendment amends section 503(f) of the Forest Service Facility Realignment and Enhancement Act of 2005 and reauthorizes the authority for the Forest Service to convey administrative sites through 2023. (Section 8504)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 8504)

*(16) Definitions*

The House bill defines certain terms. (Section 8301)

The Senate amendment defines the terms “National Forest System” and “public land”. (Section 8601)

The Conference substitute adopts the House definition of “National Forest System”. (Section 8601)

The Managers intend that forest management activities means that a project carried out by the Secretary of Agriculture or the Secretary of Interior on National Forest System lands or public lands be conducted consistent with applicable land management plans, including any applicable Roadless Area Management Rules (36 CFR 294).

*(17) Categorical exclusion for greater sage-grouse and mule deer habitat*

The Senate amendment authorizes the development and use of a categorical exclusion (CE) for both the Secretary of Agriculture, with respect to NFS land, and the Secretary of the Interior, with respect to public land, for certain forest management activities with the primary purpose of protecting, restoring, or improving habitat for the greater sage-grouse or mule deer. Projects through this authority must be developed and implemented through a collaborative process and based on the best available scientific information. The authority establishes a cap of 3,000 acres for projects utilizing the categorical exclusion. (Section 8611)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with a modification to raise the acreage cap to 4,500 acres. (Section 8611)

*(18) Additional authority for sale or exchange of small parcels of national forest system land*

The Senate amendment renews authority to the Forest Service to dispose of small parcels of land in a manner to enhance the respective National Forest through new recreational access or acquisitions. It authorizes funds derived from any sale or exchange

under this authority to be expended for, among other purposes, the acquisition of land or interest in the state from which the sale originated. (Section 8621)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 8621)

*(19) Forest service participation in aces program*

The Senate amendment amends section 8302 of the Agricultural Act of 2014 and provides a termination of effectiveness for the use of the authority in 2023. (Section 8622)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 8622)

*(20) Authorization for lease of forest service sites*

The Senate amendment expands authority to allow the Forest Service to lease unused administrative sites. (Section 8623)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with modifications that do not include authority for cash consideration and a prohibition on certain cash payments. (Section 8623)

*(21) Good neighbor authority*

The House bill authorizes counties and Indian Tribes to enter into good neighbor agreements. (Section 8331(2))

The Senate amendment authorizes to tribes and counties to enter into good neighbor agreements, and exempts payments made by counties from being considered as made by the Forest Service or Bureau of Land Management lands. (Section 8624(2))

The Conference substitute adopts the House provision with an amendment regarding the treatment of timber sale revenue. (Section 8624)

The Managers expanded Good Neighbor Authority to authorize Indian tribes and counties to participate. As required by the underlying authority, the Managers expect that the non-Federal entity – whether it be a Governor, County, or tribe – participating in future Good Neighbor agreements undertake restoration activities on non-Federal land in addition to “similar and complementary” restoration activities on Federal land under the program.

*(22) Wildland-urban interface*

The Senate amendment prioritizes the use of funds for hazardous fuels reduction projects within the wildland-urban interface. (Section 8625)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate amendment.

*(23) Chattahoochee-Oconee national forest land adjustment*

The Senate amendment authorizes USDA to sell or exchange any or all interest of the United States in 30 tracts NFS land in Georgia totaling approximately 3,841 acres. (Section 8626)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 8625)

*(24) Tennessee wilderness*

The Senate amendment designates specified federal lands in the Cherokee National Forest in Tennessee as wilderness and as additions to the National Wilderness Preservation System. (Section 8627)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 8626)

*(25) Additions to Rough Mountain and Rich Hole wildernesses*

The Senate amendment designates specified lands in the George Washington National Forest in Virginia as part of the Rough Mountain Wilderness area, and the Rich Hole Wilderness area and adds those lands to the National Wilderness Preservation System. (Section 8628)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate amendment.

*(26) Kisatchie national forest land conveyance*

The Senate amendment authorizes USDA to sell specified federal land in Winn Parish, Louisiana and requires USDA to sell a portion of that land to Collins Camp Properties for the Collins Campsites. (Section 8629)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 8627)

*(27) Purchase of natural resources conservation service property, Riverside County, California*

The Senate amendment directs USDA to sell and quitclaim all right, title, and interest of the United States in and to a parcel of real property located in Riverside, California, administered by the Natural Resources Conservation Service, to the Riverside Corona Resource Conservation District. (Section 8630).

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 8628)

*(28) Collaborative forest landscape restoration program*

The House bill authorizes the Secretary to waive the 10-year eligibility requirement for a restoration proposal when selecting proposals. The bill strikes the time limit of 10 fiscal years regarding expenditures from the fund for any 1 proposal. It also authorizes appropriations at \$40 million for each fiscal year 2018 through 2023. (Section 8509)

The Senate amendment authorizes appropriations at \$80 million for each fiscal year 2018 through 2023. The amendment adds the House and Senate Agriculture Committees to the reporting requirement. (Section 8631)

The Conference substitute adopts the Senate amendment with a modification that authorizes both a waiver authority and waiver limitation. (Section 8629)

Following enactment of this Act, the Managers expect the Secretary to initiate the process to receive new nominations and select new projects under this reauthorized authority with the expanded authorization for appropriations. With the advice of the advisory panel, as required in section 4003 of Public Law 111-11, the Managers expect

that the additional \$40 million made available through this section should enable the Secretary to select and fund not less than 10 new projects under the program.

*(29) Utility infrastructure rights-of-way vegetation management pilot program*

The House bill requires the Secretary to establish a limited, voluntary pilot program to conduct vegetation management projects on NFS land adjacent to or near rights-of-way. (Section 8502)

The Senate amendment authorizes the Secretary to establish a limited, voluntary pilot program to conduct vegetation management projects on NFS land adjacent to or near rights-of-way and changes the liability standard to which utilities are held when operating on NFS lands. (Section 8632)

The Conference substitute adopts the Senate amendment with modifications to the establishment of the pilot program, including the authorization for vegetative management projects, liability, a clarification regarding compliance with other existing laws and requiring a report to relevant Congressional committees. (Section 8630)

*(30) Okhissa lake rural economic development land conveyance*

The Senate amendment directs the Secretary of Agriculture to convey 150 acres within the Homochitto National Forest in Mississippi for the purpose of rural economic development. (Section 8633)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 8631)

*(31) Prairie dogs*

The Senate amendment requires the Secretary of Agriculture to conduct a report on the impact of prairie dogs on grazing allotments and requires the Forest Service to take appropriate actions based upon the report within 1 year. (Section 8634)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate amendment.

*(32) Wood innovation grant program*

The House bill requires the Secretary to establish a competitive grant program, the “Community Wood Energy and Wood Innovation Program”. It authorizes \$25 million in appropriations for each fiscal year 2019 through 2023. (Section 8106)

The Senate amendment provides direction to the Secretary regarding the wood innovation grant program described in the notice 80 Fed. Reg. 63498 (Oct. 20, 2015). (Section 8643)

The Conference substitute adopts both the Senate amendment and the House provision with an amendment that modifies the definition of a community wood energy system, and adds selection criteria as well as a priority component. (Sections 8643 and 8644)

*(33) Remote sensing technologies*

The Senate amendment requires the Chief of the Forest Service to find efficiencies in the operations of the forest inventory and analysis program through the use and integration of advanced remote sensing technologies to provide estimates for state and national level inventories. (Section 12621)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 8632)

The Managers urge the Forest Service to continue to find efficiencies in program operations through the use of remote sensing technologies where appropriate, as well as partnering with states and other interested stakeholders to deliver programs.

*(34) Support for state assessments and strategies for forest resources*

The House bill amends section 2A(f)(1) of the Cooperative Forestry Assistance Act of 1978 by reauthorizing the funding for the required state assessment through 2023. (Section 8101)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 8101)

The Managers are concerned about the projected loss of private forestland in the United States, as detailed in the Resources Planning Act Assessment and regional analyses such as the Northern and Southern Forest Futures Reports, and associated loss of societal benefits such as clean air and water, wildlife habitat, jobs and forest products, and more. The Managers direct the Secretary, working through the Forest Resource Coordinating Committee, to develop a National Reforestation Initiative that addresses the threats to private forest retention. Within 24 months from the date of enactment of this Act, the Managers urge the Forest Resource Coordinating Committee to generate a strategic plan for the initiative to include relevant USDA programs that promote “Keeping Forests as Forests” and incentivize reforestation within priority areas identified in the Forest Service Resources Planning Act and Statewide Forest Resource Assessments and Strategies.

*(35) Forest legacy program*

The House bill amends section 7 of the Cooperative Forestry Assistance Act of 1978 by removing the authorization of appropriations of “such sums as necessary” and authorizing \$35,000,000 for each of fiscal years 2019 through 2023. (Section 8102)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(36) Community forest and open space conservation program*

The House bill amends section 7A of the Cooperative Forestry Assistance Act of 1978 by removing the authorization of appropriations of “such sums as necessary” and authorizing \$5,000,000 for each of fiscal years 2019 through 2023. (Section 8103)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(37) Rural revitalization technologies*

The House bill amends section 2371(d)(2) of the Food, Agriculture, Conservation, and Trade Act of 1990 to reauthorize the Rural Revitalization Technologies Program at the current level of \$5,000,000 through FY 2023. (Section 8105)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 8701)

*(38) Healthy forests restoration act of 2003 amendments*



The House bill authorizes an additional program purpose. It requires that land be private forest land or private land being restored to forest land in its eligibility requirements. It adds a species deemed to be of greatest conservation need by a State wildlife action plan. The bill adds an additional enrollment consideration. It strikes limitations on funds used for easements and cost-share agreements. It authorizes permanent easements to be used separately or in combination with other enrollment options. The bill adds species of greatest conservation need, as identified in State wildlife action plans, to the Secretary's list of enrollment priority considerations in Section 502(f) of the Statute. It requires the restoration plan to require specific practices and measures to restore and enhance habitat for species described in section 502(b) in the statute. It authorizes the Secretary to carry out priority projects to reduce insect or disease infestation or hazardous fuels. It strikes the public notice date limitation. The bill requires a project to be conducted in accordance with section 602(d)(1). It limits project size to 6,000 acres. It subjects the use of monies to paragraph (3)(A) in the statute. The bill provides that in-kind resources not be considered monies received from the NFS or the public lands, but payments made by a contractor shall be considered monies received from the NFS or the public lands. (Section 8107)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment that authorizes a new purpose for the Healthy Forests Reserve Program, amends eligibility for enrollment, authorizes a new enrollment consideration, strikes a limitation on the use of an easement, provides new authorities for the enrollment of acreage owned by Indian Tribes, provides for new enrollment priorities, and amends the requirements for restoration plan practices. The amendment also extends the authority for insect and disease infestation and authorizes the reduction of hazardous fuels as a purpose. (Section 8407)

The Managers make improvements to the Healthy Forests Reserve Program. The Managers were concerned that duplicative approval requirements outside of initial approval and annual monitoring for management practices in the Healthy Forests Reserve Program may be impeding the ability of landowners to successful use the program to its fullest environmental benefit. The Managers direct the Natural Resources Conservation Service to work with landowners to streamline the process around management practices, ensuring that landowners participating in the program are not required to seek approval for individual actions taken under their NRCS-approved restoration plans.

Additionally, the Managers intend that when designing restoration projects using the Healthy Forests Restoration Act of 2003 or under other authorities authorized in the Forestry title, the Secretary consider opportunities to restore sustainable recreational infrastructure or access, or to accomplish other recreation outcomes, where such opportunities are compatible with the primary restoration purpose(s) of the project.

*(39) Inclusion of invasive vegetation in designated treatment areas*

The House bill amends section 602 of the Healthy Forests Restoration Act of 2003 by including in the designation of treatment areas forests that experience invasive vegetation. (Section 8109)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(40) Use of reserved funds for title II projects on federal land and certain non-federal land*

The House bill amends section 204(f) of the Secure Rural Schools and Community Self-Determination Act of 2000 to require 50% of Title II funds be spent on projects which include sale of forest products and meet land management objectives. (Section 8201)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(41) Resource advisory committees*

The House bill amends section 205(a)(4) of the Secure Rural Schools and Community Self-Determination Act of 2000 to extend Title II Resource Advisory Committee (RAC) functions, membership through fiscal year 2023. It amends section 205(d) of the Secure Rural Schools and Community Self-Determination Act of 2000 to reduce the membership of RACs from 15 to 9 and to reduce the members that are representative of community interests from 5 to 3. The bill adds a requirement for members of the RAC to reside in the county or adjacent county where the RAC has jurisdiction. It allows for a designee of the Secretary to perform certain functions. (Section 8202)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with modifications authorizing RAC waiver authority and creating a Regional Appointment Pilot Program. (Section 8702)

The Managers addressed membership challenges facing Resource Advisory Committees (RACs) by bringing requirements more in line with achievable benchmarks. The Managers note that RACs are under-utilized across the country and encourage the Forest Service to highlight the new requirements in outreach to interested communities. In addition, the Managers intend for the Forest Service to proceed with the RAC re-charter process and member nominations immediately so they will be fully functioning when reauthorized.

*(42) Program for Title II self-sustaining resource advisory committee projects*

The House bill amends Title II of the Secure Rural Schools and Community Self-Determination Act of 2000 by authorizing the Chief of the Forest Service to choose ten RACs that may retain revenue from projects to fund future projects that accomplish forest management objectives. (Section 8203)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(43) Rule of application for national forest system lands and public lands*

The House bill is a rule of application, limiting the application of the authorities provided by subtitle C to NFS or public lands that are not in the National Wilderness Preservation System, within an inventoried roadless area (unless the forest management activity is consistent with the applicable forest plan or allowed under the applicable roadless rule), or land on which timber harvest is prohibited by Federal law. (Section 8302)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(44) Consultation under the endangered species act*

The House bill removes the requirement for consultation under section 7 of the Endangered Species Act for a project carried out by the Forest Service if the project is found not likely to adversely affect a listed species. It allows for an expedited consultation where the projects conducted under a CE for which a section 7 consultation is required, the action is deemed to have complied with the requirements of Section 7 after 90 days. (Section 8303)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(45) Secretarial discretion in the case of two or more categorical exclusions*

The House bill clarifies that if a forest management activity might fall under more than one of the categorical exclusions, the Secretary has full discretion in determining which categorical exclusion to apply. (Section 8304)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(46) Categorical exclusion to expedite certain critical response actions*

The House bill authorize the use of CEs for addressing insect and disease infestation, reducing hazardous fuel loads, protecting municipal water sources, improving or enhancing critical habitat, and increasing water yield. It provides for the availability of CEs under this section. The bill limits the size of the CEs to 6,000 acres. (Section 8311)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(47) Categorical exclusion to expedite salvage operations in response to catastrophic events*

The House bill authorizes the use of CEs for specific salvage operations carried out by the Secretary. It provides for the availability of CEs under this section. The bill limits the size of the CE to 6,000 acres. It requires that salvage operations covered by a CE under this section protect streams and stream buffers as provided in the forest plan. The bill further requires the development of a reforestation plan as part of the salvage operation. (Section 8312)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(48) Categorical exclusion to meet forest plan goals for early successional forests*

The House bill authorizes the use of CEs for the modification, improvement, enhancement, or creation of early successional forests for wildlife habitat improvement. It provides for the availability of the CE under this section. It directs the Secretary to maximize production and regeneration of priority species in the development of a forest management activity conducted under this section. The bill limits the size of the CEs to 6,000 acres. (Section 8313)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(49) Categorical exclusion for hazard trees*

The House bill authorizes the use of CEs in order to remove hazardous trees and salvage timber to protect public safety, a public water supply, or public infrastructure. (Section 8314)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(50) Categorical exclusion to improve or restore national forest system lands or public land or reduce the risk of wildfire*

The House bill authorizes the use of CEs for certain activities when the purpose of those activities is to improve, restore, or reduce the risk of wildfire on NFS or public lands. It provides for the availability of CEs under this section. The bill limits the size of the CEs to 6,000 acres. It provides the pertinent definitions. (Section 8315)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(51) Categorical exclusion for forest restoration*

The House bill establishes a CE for certain forest management activities on NFS lands, including timber harvest, hazardous fuel reduction, and prescribed burning. It provides for the availability of CEs under this section. The bill limits the size of the CEs to 6,000 acres. It provides for limitations on the building of permanent and temporary roads under this CE. (Section 8316)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(52) Categorical exclusion for infrastructure forest management activities*

The House bill establishes a CE for certain forest management activities related to infrastructure on NFS land, including activities related to roads, bridges, dams, and other facilities. (Section 8317)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(53) Categorical exclusion for developed recreation sites*

The House bill establishes a CE for certain forest management activities on NFS lands related to the operation, maintenance, modification, reconstruction or decommissioning of existing recreation sites. (Section 8318)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(54) Categorical exclusion for administrative sites*

The House bill establishes a CE for certain forest management activities on NFS lands related to the construction, maintenance, decommissioning, relocation, and disposal of administrative sites. It provides for the availability of CEs under this section. The bill provides for a limitation on roads and pesticide use. It provides a definition for administrative site. (Section 8319)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(55) Categorical exclusion for special use authorizations*

The House bill establishes a CE for certain forest management activities on NFS lands related to special use authorizations. It provides for the availability of CEs under this section. The bill requires the preparation of certain documents in order to use the CE. (Section 8320)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(56) Clarification of existing categorical exclusion authority related to insect and disease infestation*

The House bill amends section 603(c)(2)(B) of the Healthy Forests Restoration Act of 2003 to include Fire Regime IV and V (Lodgepole pine) in the Insect & Disease Categorical Exclusion included in the 2014 Farm Bill. (Section 8321)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(57) Regulations regarding designation or dead or dying trees of certain tree species on national forest system lands in California as exempt from prohibition on export of unprocessed timber originating from federal lands*

The House bill directs the Secretary to issue rulemaking to determine that unprocessed timber from NFS lands in California is considered surplus to domestic needs and is therefore exempt from export prohibitions. It requires the Secretary to consult with representatives of sawmills in California and make a reasonable effort to avoid adverse impacts to the industry. It allows the Secretary to adjust contract provisions in region 5 of the NFS to carry out this section. The bill exempts timber harvested under this section from the limitation of substitution of unprocessed Federal timber. It provides authority to hire additional staff to implement the regulations issued under subsection (a). It requires the regulations to remain in effect for 10 years with periodic review. The bill provides relevant definitions for this section. (Section 8333)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(58) Salvage and reforestation in response to catastrophic events*

The House bill provides that an environmental assessment for a salvage operation or reforestation activity on NFS lands must be completed within 60 days of a catastrophic event and at least 75 percent of the impacted land must be reforested within a 5- year period. The Secretary must also allow for public comment and objection before implementing a reforestation activity or salvage operation. Salvage and reforestation activities must be consistent with the applicable forest plan. Courts are also prohibited from issuing preliminary injunctions with respect to salvage or reforestation activities in response to large scale catastrophic events. (Section 8334)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(59) Analysis of only two alternatives (action versus no action) in proposed collaborative*

*forest management activities*

The House bill provides 5 requirements for environmental assessments or impact statements pursuant to NEPA with respect to forest management activities and requires they only consider the forest management activity and the no action alternative. (Section 8335)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(60) Injunctive relief*

The House bill requires courts to balance the impact of the effect of forest management activity or agency action against the effects of no action and provides that any preliminary injunction, or stay pending appeal, of a forest management activity shall not exceed 60 days. Courts may issue renewals of any preliminary injunction pending appeal. (Section 8336)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(61) Application of roadless area conservation rule*

The House bill provides that 36 CFR 294, or successor regulations, do not apply to any NFS land in Alaska. (Section 8337)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(62) Vacant grazing allotments made available to certain grazing permit holders*

The House bill requires the Secretary to make vacant grazing allotments available to a holder of a grazing permit or lease if the lands covered by the permit or lease are unusable because of natural disaster, court-issued injunction, or conflict with wildlife. Courts may not issue any order enjoining the use of any allotment where a permit or lease has been issued unless the Secretary can make a vacant grazing allotment available to the holder of the permit or lease and makes the allotment subject to a CE. (Section 8338)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(63) Pilot project for forest health, watershed improvement, and habitat restoration in New Mexico*

The House bill establishes a pilot program within the Lincoln National Forest, Cibola national Forest, and Gila National Forest to analyze and demonstrate the effectiveness of various tools and techniques to address concerns on thinning, watershed improvement, and habitat restoration. The authority to carry out the program terminates 7 years after the date of enactment. (Section 8339)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(64) Protection of tribal forest assets through use of stewardship end-result contracting and other authorities*

The House bill provides authority for action by the Secretary not later than 120 days after the date on which the Secretary receives a Tribal request. It amends section



2(b) of the Tribal Forest Protection Act of 2004 by providing Federal land management agencies up to 120 days to respond to Tribal request for forest management on agency lands and two years to complete the analysis. The bill includes conforming amendments. (Section 8401)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(65) Tribal forest management demonstration project*

The House bill gives authority to Indian Tribes to request to conduct forest management activities on Federal lands where they have a Tribal interest. (Section 8402)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment that authorizes demonstration projects by which Indian Tribes may contract to perform certain functions of programs. (Section 8703)

The Managers authorized the Secretary of Agriculture and Secretary of the Interior to carry out demonstration projects by which Federally recognized Indian tribes or tribal organizations may contract to perform functions of the Tribal Forest Protection Act (25 U.S.C. 3115a et seq.). The Managers expect these demonstration projects to be evaluated under the criteria defined in section (c) of that Act (23 U.S.C. 3115a(c)).

*(66) No loss of funds for wildfire suppression*

The House bill clarifies that nothing in this title or the amendments made by this title may be construed to limit from the availability of funds or other resources for wildfire suppression. (Section 8504)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(67) Technical corrections*

The House bill contains technical amendments to the Wildfire Suppression Funding and Forest Management Activities Act. (Section 8505)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 8704)

*(68) Conveyance of land and improvements to the village of Santa Clara, New Mexico*

The House bill requires the Secretary to convey right, title, and interest in approximately 1,520 acres of NFS land to Santa Clara. (Section 8506)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(69) Streamlining the forest service process for consideration of communications facility location applications*

The House bill requires the Secretary to issue regulations to streamline the process for considering applications to locate communications facilities on covered land, ensure the process is uniform, and require consideration of the applications be neutral. The Secretary must consider how discrete reviews can be conducted simultaneously and how to eliminate overlapping requirements among the organizational units of the Forest Service with respect to the location or modification of a communications facility.

The bill also requires the Secretary of the Treasury to establish a special account for the Forest Service for fees collected under this section for communications use authorizations. The account must be available to cover the costs incurred by the Forest Service as provided in appropriation acts. (Section 8507)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment that does not include all the requirements for the regulations in the original provision. (Section 8507)

*(70) Report on wildfire, insect infestation, and disease prevention on federal land*

The House bill requires the Secretaries of Agriculture and the Interior to submit an annual report to the House Committees on Agriculture and Natural Resources and the Senate Committees on Agriculture, Nutrition, and Forestry and Energy and Natural Resources on the number of acres treated for wildfire, insect infestation, or disease prevention, the number of acres categorized as high risk, total timber production, average fire intensity of wildfires and federal response time for each fire greater than 25,000 acres. (Section 8508)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment that authorizes several more data points and information for the report. (Section 8706)

*(71) West Fork fire station*

The House bill requires the Secretary to convey the West Fork Fire Station to Dolores County, Colorado without consideration and any conveyance costs are to be paid by the County. The section also requires the land be used only for a fire station and related infrastructure or the land will revert to the United States. (Section 8510)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 8707)

*(72) Competitive forestry, natural resources, and environmental grants program*

The House bill amends section 1232 of the Food, Agriculture, Conservation, and Trade Act of 1990 by authorizing the Secretary to award grants for forest restoration, prioritizing applicants who will use grants for specific research projects. The bill also includes mandatory criteria for forest restoration grants as well as criteria the Secretary must consider when awarding such grants. (Section 8511)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 8708)

## Title IX – Energy

### *(1) Definitions*

The Senate amendment expands the definition of “biobased product” to include “renewable chemicals,” and expands the definition of the term “biorefinery” to include facilities that convert renewable biomass into renewable chemicals, or an intermediate ingredient or feedstock of renewable biomass into any one or more, or a combination of biofuels, renewable chemicals, or biobased products. Further, it amends the term “Renewable Energy System” to include systems that produce usable energy from a renewable energy source including distribution components necessary to move energy produced by a system to the initial point of sale, and other ancillary infrastructure of a system such as storage systems. (Section 9101)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 9001)

### *(2) Biobased markets program*

The House bill prohibits federal agencies from placing limitations on the procurement of wood and wood-based products greater than espoused in this section, authorizes to be appropriated \$2 million annually for fiscal year 2014 through fiscal year 2023, and eliminates the mandatory funding provision. (Section 6402)

The Senate amendment transfers the program from Departmental Management to the Office of Rural Development. It instructs the Secretary to update the eligibility criteria used to determine which renewable chemicals qualify to receive the “USDA Certified Biobased Product” label within 90 days of enactment, establish guidelines for an integrated and expedited process by which biobased products can be determined eligible for Federal Procurement preference and approved for the “USDA Certified Biobased Product” label, and work with the Secretary of the Department of Commerce to develop North American Industry Classification System (NAICS) codes for renewable chemical manufacturers and producers of biobased products. Additionally, the amendment limits other agencies from imposing procurement limitations more restrictive than the regulations contained within this section. It instructs USDA to develop education and outreach efforts to assist stakeholders in navigating the federal procurement and voluntary labeling programs found under this section, authorizes \$3 million in appropriations for fiscal year 2019 through fiscal year 2023, and reauthorizes mandatory funding at \$3 million for each year 2019 through 2023. (Section 9102)

The Conference substitute adopts the Senate provision with an amendment that extends the amount of time the Secretary has to update the criteria for determining which renewable chemicals may qualify to receive the “USDA Certified Biobased Product” label from “90” to “180” days and strikes instructions to USDA to perform education and outreach efforts. (Section 9002)

The Managers support elevating the Biobased Market Program within the U.S. Department of Agriculture and believe this program is consistent with the mission of Rural Development. The Managers urge USDA to establish and promote public-private partnership frameworks for Biobased Market Program activities to increase U.S. purchasing of biobased products that is necessary to growth of the biobased sector. Allocating funding to support public-private partnerships would allow biobased manufacturers and allied stakeholders to identify potential customers —ranging from

military bases to private-sector fleets and facilities—to design and implement effective outreach. The Managers also encourage USDA to further promote and give a preference to the procurement of agricultural biobased products within USDA Rural Development, including rural housing and rural electrification.

The Managers intend for USDA’s implementation of the integrated qualification process that USDA evaluate within the year additional standards available for the use of renewable agricultural resources through standard setting bodies, including international standards. The Managers intend that USDA recognize feedstock inputs produced using biobased mass balance methods, which USDA may accomplish through the creation of a Biopreferred process label specifying the percentage of biobased feedstock used.

The Managers intend that USDA continue to develop and implement education and outreach efforts to assist stakeholders in navigating the federal procurement and voluntary labeling programs.

Not later than 1 year after the date of the enactment of this Act, the Secretary shall establish a biobased content methodology for products produced using biologically recycled carbon that provides full credit for carbon content from biological processing of carbon captured from an industrial source that would otherwise be released into the atmosphere.

The Managers intend for the Biobased Markets Program to better function through increased transparency, that the Secretary periodically update Congress on product procurement trends of federal agencies and their contractors to help ensure the program is accomplishing its mission.

The Managers believe the Secretary could best implement the Biobased Markets Program through collaborating with the Environmental Protection Agency’s Administrator on the Safer Choice label program to provide agency procurement officials with data on products that are certified biobased and have a reduced impact on human and environmental health.

### *(3) Biorefinery assistance*

The House bill expands the eligibility of technologies to those being adopted in a viable commercial-scale operation of a biorefinery that produces an advanced biofuel or technologies not previously described that has been demonstrated to have technical and economic potential for commercial application in a biorefinery that produces an advanced biofuel. It maintains authorization of appropriations at \$75 million annually for fiscal year 2014 through fiscal year 2023 and eliminates the mandatory funding provision and biobased product manufacturing set aside provision. (Section 6403)

The Senate amendment expands the definition of “eligible technologies” to technologies that produce any one or more or a combination of advanced biofuels, renewable chemicals or biobased products. It maintains discretionary funding at \$75 million for fiscal year 2014 through fiscal year 2023 and reauthorizes mandatory funding at \$100 million for 2019 and \$50 million for 2020. (Section 9103)

The Conference substitute adopts the Senate provision with an amendment that provides \$50,000,000 in mandatory funding for 2019 and \$25,000,000 for 2020 and maintains an authorization of appropriations of \$75,000,000 through fiscal year 2023. (Section 9003)

The Managers intend that the program entitled “Biorefinery Assistance”, which provides loan guarantees for the construction and retrofitting of biorefineries, be available to advanced biofuel, renewable chemical, or biobased product manufacturing facilities.

The Managers expect the Secretary to implement Section 9003, Biorefinery Assistance as soon as possible in fiscal year 2019. The Managers intend that the Office of Management and Budget completes the review of all loan proposals within 30 days of receipt.

The Managers expect the Secretary to ensure that all biobutanol manufacturers can qualify for the biorefinery assistance program as an advanced biofuel, regardless of their feedstock.

*(4) Repowering assistance program*

The House bill authorizes to be appropriated \$10 million annually for fiscal year 2014 through fiscal year 2023 and eliminates the mandatory funding provision. (Section 6404)

The Senate amendment repeals section 9004 of the Farm Security and Rural Investment Act of 2002. (Section 9104)

The Conference substitute adopts the Senate provision. (Section 9004)

*(5) Bioenergy program for advanced biofuels*

The House bill modifies the equitable distribution portion of the program by limiting the amount of payments for advanced biofuel produced from a single eligible commodity to not exceed one-third of the total program funding available in a fiscal year. It authorizes to be appropriated \$50 million annually for fiscal year 2019 through fiscal year 2023 and eliminates the mandatory funding provision. (Section 6405)

The Senate amendment amends discretionary funding, providing \$15 million for fiscal year 2019 through fiscal year 2023. It provides for mandatory funding at \$15 million for each year fiscal year 2019 through fiscal year 2023. (Section 9105)

The Conference substitute adopts the House provision with an amendment that authorizes \$7,000,000 in mandatory funding for fiscal years 2018 through 2023 and maintains an authorization of appropriations in the amount of \$20,000,000 for fiscal years 2019 through 2023. (Section 9005)

The Managers urge USDA to utilize the Bioenergy Program for Advanced Biofuels to make payments equally on all eligible advanced bioenergy production, replacing the current structure that provides separate payments for base and incremental production. Public comments received during the previous rulemaking process for this program indicated the current structure creates unnecessary and burdensome record-keeping requirements. USDA never issued a final rule and the program continues to operate under an interim final rule with the existing base and incremental payment structure.

*(6) Biodiesel fuel education program*

The House bill authorizes to be appropriated \$2 million annually for fiscal year 2019 through fiscal year 2023 and eliminates mandatory funding for the program. (Section 6406)

The Senate amendment authorizes to be appropriated \$2 million annually for fiscal year 2019 through fiscal year 2023. (Section 9106)

The Conference substitute adopts the House provision. (Section 9006)

The Managers encourage USDA to continue to fund competitively awarded Biodiesel Education Program grants through existing annual budgetary accounts.

*(7) Rural energy for America program*

The House bill maintains an appropriated level of \$20 million annually for fiscal year 2014 through fiscal year 2023. It limits mandatory funding to fiscal year 2014 through fiscal year 2018 and provides a categorical exclusion for electric generating facilities with a capacity of 10 megawatts or less in the program from having to prepare environmental assessments or an environmental impact statement. (Sections 6407 & 6408)

The Senate amendment allows for the purchase and installation of efficient energy equipment or systems to qualify for loan guarantees and grants provided under this section. It strikes the reporting provision enacted in the Food, Conservation, and Energy Act of 2008. Additionally, the Senate amendment reauthorizes appropriations at \$50 million for fiscal year 2019 through fiscal year 2023 and maintains mandatory baseline funding of \$50 million per year. (Section 9107)

The Conference substitute adopts the Senate provision with an amendment clarifying that agricultural producers are eligible for loan guarantees for the purchase and installation of energy efficient equipment or systems for agricultural production or processing, clarifying limitations on the loan guarantees for energy efficient equipment, and establishing that total funding for these systems shall not exceed 15% of the funds available to the program. (Section 9007)

The Managers intend that for loan guarantees made under Section 9007 (c)(1)(A)(ii) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107), those loans shall be made to achieve additional energy efficiency beyond what the producer would otherwise need to install. If the producer is building a new structure for production purposes, the additional efficiency should come on top of what would already be required to make a business case for the project to be successful. Through guaranteed loans made under (c)(1)(A)(ii), the purpose and goals of the Rural Energy for America Program shall be maintained by requiring additional efficiency above a baseline determined by the requirements under (c)(1)(A)(ii).

The Managers intend for USDA's determination of applicability under (c)(1)(B) that USDA compare only such equipment and systems that perform the same agricultural production function.

When determining the applicability of (c)(1)(B), the Managers intend that USDA consider the availability of energy efficient equipment or systems that could be used in general for the same purpose. For example, several options exist for high efficiency lighting equipment that may be used in agricultural production. However, if an eligible producer wishes to apply for the loan guarantee to purchase or install proprietary high efficiency lighting equipment that may also be used to grow agricultural products, the Secretary shall consider the proprietary equipment as meeting the obligation of more than one type of equipment being available.



The Managers recognize that the assorted methods of renewable electricity generation that qualify for financial assistance under the Rural Energy for America Program (REAP) are treated differently regarding whether or not a given project may qualify for a categorical exclusion from the need to provide additional documentation under the National Environmental Policy Act (NEPA). Under current regulations solar, wind, biomass, and various distributed technologies have different standards.

The Managers suggest that, in order to harmonize these regulations and facilitate additional deployment of renewable energy systems that do not have a significant impact on the environment, the Secretary consider an update of the relevant regulations to allow any solar, wind, or biomass project that has a rating of 10 megawatts or less, and which has undergone an extraordinary circumstances analysis and submitted an environmental report the Secretary finds acceptable to fulfill the necessary requirements under NEPA, to be designated as being categorically excluded from any requirement to prepare or publish a "Notice of Availability of the EA" or participate in a public review and comment period. Additionally, the Managers suggest the Secretary consider a similar harmonization and update of the relevant regulations regarding the availability of a categorical exclusion for small scale renewable and distributed energy projects that involve no or minimal alterations in the physical environment and typically occur on previously disturbed land.

*(8) Biomass crop assistance program*

The House bill authorizes to be appropriated \$25 million annually for fiscal year 2019 through fiscal year 2023 and eliminates the mandatory funding provision. (Section 6411)

The Senate amendment adds algae as an eligible material and clarifies material harvested for the purpose of hazardous woody fuel reduction qualifies for matching payments. It authorizes appropriations of \$20 million annually for fiscal year 2019 through fiscal year 2023 and reauthorizes the program with \$25 million of mandatory funding for each annual fiscal year 2019 through fiscal year 2023. (Section 9110)

The Conference substitute adopts the House provision with an amendment that adds algae as an eligible material under the program. (Section 9010)

*(9) Biogas research and adoption of biogas systems*

The Senate amendment inserts a new section after section 9011 of title IX of the Farm Security and Rural Investment Act of 2002, establishing an Interagency Biogas Opportunities Task Force to coordinate policies and programs to accelerate biogas research and investment in biogas systems. It also authorizes a study on advancing biogas markets and analyzing data related to biogas systems. (Section 9111)

The House bill contains no comparable provision.

The Conference substitute does not adopt the Senate provision.

The Managers intend that USDA coordinate policies and programs to accelerate biogas research and investment in biogas systems, while also studying ways to advance biogas markets and analyze data related to these systems.

Not later than 180 days after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary in coordination with the Secretary of Energy and

the EPA Administrator shall establish an Interagency Biogas Opportunities Task Force building upon the existing Biogas Opportunities Working Group. The Task Force will coordinate policies, programs, and research to accelerate biogas research and investment in cost-effective biogas systems. The Task Force shall be composed of the head of each Federal office responsible for biogas research or biogas system financing, including a representative from the Department of Agriculture, the Department of Energy, the Environmental Protection Agency, and National Renewable Energy Laboratory. The Task Force will also have representation of 1 or more representatives of State or local governments, 1 or more nongovernmental or industry stakeholders, and a community stakeholder.

The Task Force shall evaluate and improve the coordination of loan and grant programs of the Federal agencies represented on the Task Force to broaden the financing options available for biogas systems. It will also explore how to enhance opportunities for private financing of biogas systems; review Federal procurement guidelines to ensure that products of biogas systems are eligible for and promoted by applicable procurement programs of the Federal Government; evaluate the development of North American Industry Classification System and North American Product Classification System codes for biogas and biogas system products; review opportunities and develop strategies to overcome barriers to integrating biogas into electricity and renewable natural gas markets; develop tools to broaden the market for non-energy biogas system products; provide information on the ability of biogas system products to participate in markets that provide environmental benefits; identify and investigate research gaps in biogas and anaerobic digestion technology; including research gaps in environmental benefits, market assessment; and performance standards; assess the most cost-effective voluntary investments in biogas to reduce waste and methane emissions; and identify and advance additional priorities, as determined by the Task Force.

Not later than 18 months after the date of the establishment of the Task Force, the Task Force shall submit to Congress a report that identifies whether it was able to carry out the duties outlined above and include recommendations on how Congress should prioritize policies and technological opportunities, aimed at expanding the biogas industry. The report shall also consider recommendations on how to eliminate barriers to investment in biogas systems in the landfill, livestock, wastewater, and other relevant sectors; and to enhance opportunities for private and public sector partnerships to finance biogas systems. Two years after the establishment of the Task Force it shall identify, collect, and analyze environmental, technical, and economic performance data relating to biogas systems, including the production of energy of biogas systems, co-products, greenhouse gas and other emissions, water quality benefits, and other data necessary to develop markets for biogas and biogas system co-products. This data shall be made public.

*(10) Community wood energy program*

The House bill expands the program to provide financial assistance for the installation of public or private wood energy systems and the construction of manufacturing or processing plants that use or produce innovative wood products. It changes the name to the “Community Wood Energy and Wood Innovation Program” and authorizes appropriations of \$25 million annually from fiscal year 2019 through fiscal year 2023. (Section 8106)

The Senate amendment authorizes appropriations of \$5 million annually from fiscal year 2019 through fiscal year 2023. (Section 9112)

The Conference substitute adopts the House provision with an amendment establishing priorities for grant awards, and relocates the section to the Forestry title. (Section 8106)

*(11) Carbon utilization and biogas education program*

The Senate amendment adds a new section authorizing the Secretary to provide grants to eligible entities for educating the public and biogas producers about the benefits of carbon sequestration. It authorizes appropriations of \$2 million annually for fiscal 2019 through fiscal year 2023 and authorizes \$2 million in mandatory funding for each year fiscal year 2019 through fiscal year 2023. (Section 9113)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment that clarifies the objective of the public education should be about the benefits and opportunities to rural businesses, communities, and utilities serving rural communities. Further, the amendment clarifies that eligible entities shall also provide education to agricultural producers and other stakeholders. Lastly, the amendment strikes the inclusion of the mandatory funding provision. (Section 9011)

The Managers intend that grants made under Section 9014 shall be made to agricultural producers and other rural entities.

## Title X - Horticulture

### *(1) Local agriculture market program*

The House bill eliminates Commodity Credit Corporation (“CCC”) funding for the Value-Added Agricultural Producer Grant (“VAPG”) program. It also increases the authorization of appropriations level for VAPG to \$50 million for each of FY 2019-2023. Additionally, the House bill eliminates CCC funding for both the Local Food Promotion Program (“LFPP”) and Farmers Market Promotion Program (“FMPP”). It authorizes appropriations LFPP and FMPP of \$30 million for each of FY 2019-2023. (Sections 9002 & 6501)

The Senate amendment combines the purposes and coordinates the functions of the FMPP and LFPP established under section 6 of the Farmer-to-Consumer Direct Marketing Act of 1976 and the VAPG grants under section 231(b) of the Agricultural Risk Protection Act of 2000. It directs the Secretary to streamline and simplify the program, as well as to connect producers with local food markets and value-added agricultural product opportunities. There is additional authority for grants to support partnerships. Section 210(i)(1) provides \$60 million in CCC funds for FY 2019 and each fiscal year thereafter. Section 210(i)(3) requires 47% of available funds to be used for farmers’ market and local food promotion grants. (Section 10102)

The Conference substitute adopts the Senate provision with an amendment that provides separate requirements to be considered as an eligible entity for value-added producer grants from the farmers’ markets and local food promotion program. The substitute also provides for several program purposes specific to the previous authority for the value-added producer grants. Finally, the amendment provides for \$50 million in CCC funds for FY2019 and each fiscal year thereafter, to remain available until expended. (Section 10102)

The Managers recognize the increasing demand for local food and value added production, so the Conference Substitute includes \$500 million in mandatory funding for the Local Agriculture Market Program (LAMP), which combines the Value Added Producer Grant program (VAPG) and the Farmers Market Promotion Program (FMPP) and the Local Food Promotion Program (LFPP). The Managers have provided permanent funding for this program to ensure that the program have baseline funding hereafter. The Managers have agreed to form the LAMP to encourage USDA to utilize administrative efficiencies and increase coordination between Rural Development (RD) and Agricultural Marketing Service (AMS) particularly through state and regional USDA offices, with producers who are eligible for these programs while preserving each program’s core functions and constituencies. The Managers intend for each program’s statutory authority, mission, grant priorities and activities to be retained as before. In addition to administrative efficiency and increased coordination, combining these programs will provide additional support for local and regional food system infrastructure, regional supply chain coordination, and new food and agricultural products.

The combined program includes a new focus on regional partnerships to encourage a multi-stakeholder approach to local food system development, while leveraging additional funds and providing technical assistance to eligible entities. The Managers intend that grants awarded to partnerships be received and managed by either an eligible entity or entities or partner or partners depending on the terms of the partnership agreement or the application submitted to USDA. One of the goals of a

partnership is to alleviate unnecessary administrative and technical barriers for any applicant participating in a partnership. The Conference Substitute includes provisions regarding education, outreach, and application assistance duties for partners, which the Managers view as an important component for developing local and regional food systems in low-income and underserved communities.

The Managers intend that eligible entities for the farmers market and local food grants, who participate in regional partnerships, may apply for funding for both the partnership and grant program in a single application.

The Managers are aware of past stakeholder confusion regarding the definition of direct producer sales that do not involve an intermediary such as a food hub. It is the Managers intent to support the development, coordination, and expansion of direct producer-to-retail, direct producer-to-restaurants and direct producer-to-institutional marketing as part of supporting the development, coordination and expansion of direct producer-to-consumer marketing through LAMP.

The Managers recognize that farmer cooperatives efficiently spread the benefits of the VAPG, including within LAMP, among a large number of producers in the aggregate. Cooperatives by their nature bring many producers together who individually do not have the size, expertise and resources to take advantage of the value chain beyond the farm gate, and they give them the opportunity to profit from those down-stream activities. Therefore, funds invested and the benefits of projects generated by cooperatives through the VAPG are distributed to a wide number of producers. Likewise, by investing in initiatives of cooperatives, such projects lower the overall costs to the government in program administration per individual farmer that benefits. Therefore, the Managers direct USDA to continue to treat cooperatives as a priority in administering the VAPG of LAMP.

## *(2) Organic certification*

The House bill directs the Secretary of Agriculture (the “Secretary”) to issue regulations to limit the type of organic operations that are excluded from certification. The bill further requires the Secretary to modernize trade tracking and data collection systems, including full traceability, as well as a report to Congress regarding investigations and compliance actions. It authorizes the Secretary to oversee and approve a certifying agent in a foreign country and provides for annual certification.

The House bill also directs the Secretary to establish expedited and emergency procedures related to food, crop, or human safety for placing a substance on the National List. The provision allows for an employee of an owner or operator of an organic farming operation to represent the owner or operator on the National Organic Standards Board (NOSB) and allows for the convening of a task force to consult with the Food and Drug Administration (“FDA”) or Environmental Protection Agency (“EPA”) when deciding if a substance that has been determined safe within the meaning of the Federal Food, Drug, and Cosmetic Act, or determined by the EPA to not be harmful, should be included on the National List.

The House bill authorizes sharing of certain information during an investigation. It also authorizes a certifying agent to require additional information from a producer and handler under certain circumstances, and authorizes access to cross border documentation systems. The section requires the \$5 million of CCC funds provided be available for

modernization of trade and data collection and to maintain current database and technology upgrades. (Section 9006)

The Senate amendment directs the Secretary to issue regulations to limit the type of organic operations that are excluded from certification, amends the definition of “certifying agent”, and defines the term “national organic program import certificate”. The amendment requires an import certification for imports represented as organic in the U.S. It further requires the Secretary to establish a tracking system, modernize trade tracking and data collection systems, including full traceability, and provide a report to Congress on organic imports. It authorizes the Secretary to oversee a certifying agent in a foreign country and provides the certification be for a period of time consistent with the certification of a domestic certifying agent.

The provision also requires that a vote on an amendment to the National List receives 2/3 of the votes when a quorum is present.

The Senate amendment authorizes sharing of certain information during an investigation and for the review of an accreditation of an agent in a foreign country and provides access to cross border documentation systems. It authorizes an organic agricultural product imports interagency working group. The section requires \$5 million of CCC funds be provided for data collection. Finally, the section requires certain provisions be carried out in a manner consistent with all trade obligations. (Section 10104)

The Conference substitute adopts the Senate provision with an amendment providing for the oversight of foreign and domestic certifying offices as well as notice and process regarding new and suspended certifications. The amendment also adopts the House provision regarding additional documentation and verification.

The amendment adopts the House provision regarding employees of an owner or operator of an organic farming operation to represent the owner or operator on the NOSB. (Section 10104)

The Managers recognize that fraudulent organic imports have the potential to unfairly damage the reputation of the National Organic Program’s (NOP) organic certification system and undercut domestic sales of certified organic products. Therefore, the Managers agreed to provisions from both the House-passed bill and Senate Amendment that are intended to provide the Secretary with better data, information-sharing and clarity of authority to identify and prevent known compliance risks to the NOP, particularly those imported from certifiers, handlers, or producers not accredited or certified by USDA or covered under an organic equivalency agreement. The Managers intend for these measures to be consistent for all products covered under the NOP. The Managers adopted and are applying a trade savings provision to ensure USDA implementation does not inhibit trade in organic agricultural products that are otherwise certified and following NOP standards, as well as other trade protocols.

The Managers encourage improved coordination between Federal agencies that oversee import protocols and agencies responsible for organic certification and enforcement in order to ensure information sharing and response in cases of potential fraud. Since the NOP is a marketing and process-oriented program, the Managers provide funding for the Secretary to establish and utilize more modern systems and method to share data with other agencies both within USDA, between the Animal and Plant Health Inspection Service (APHIS), AMS, and Foreign Agricultural Service (FAS), as well as outside of USDA, particularly U.S. Customs and Border Protection. In addition, the



Conference Substitute adopts a provision authorizing the Secretary to require producers and handlers of imported organic products, in cases of a known NOP compliance risk, to provide additional documentation, including an NOP import certificate, as long as this additional information is not more than is otherwise required under an equivalency agreement negotiated between the United States and the foreign government. The Managers codified the oversight authority of the Secretary to accredit certifying agents operating in a foreign country as well as certifying offices and foreign operations located within the United States. The Managers intend for the Secretary to implement these measures to be consistent with such standards and information as are required for domestic producers and handlers within the NOP.

The Managers appreciate the role of the National Organic Standards Board (NOSB) as an advisory board that is governed by the Federal Advisory Committee Act (FACA) and works with the AMS to consider and offer recommendations on a wide range of issues involving the production, handling, and processing of organic products. The Managers expect the Board and AMS to be transparent and adhere to the best science and technical assistance available, including from other science agencies, to provide certainty and predictability to the agricultural community and consumers.

The Managers codified USDA measures and NOSB procedures, currently in practice, to provide certainty to producers and users of the NOP. The Conference Substitute adopts subsection (e) of Sec. 10104 of the Senate Amendment to require 2/3 of the votes cast at an NOSB meeting at which a quorum is present to be a decisive vote regarding changes made to the organic "National List". The Conference Substitute adopts Subsection (c) of section 9006 of the House bill to allow for an employee of an organic farming operation to represent the owner or operator on the NOSB. An employee of an organic farming operation, organic handling operation, or organic retail establishment, as designated by the owner or company, may be any employee, including a farmworker or minimum wage employee

The Managers expect the NOSB, when reviewing potential amendments to the National List, to consider the findings, supporting data, and technical assistance made available by the U.S. Environmental Protection Agency to evaluate the safety and consumer health effects of pesticides registered for use, and consider the findings, supporting data, and technical assistance made available by the U.S. Food and Drug Administration to evaluate the safety and consumer health of food additives. Given the continued urgency in producer implementation of food safety standards and requirements, the Managers encourage the NOSB, while following the material review requirements established in the Organic Foods Production Act, to establish procedures for timely consideration and review of materials directly related to food safety compliance for inclusion on the national list.

### *(3) National organic certification cost-share program*

The Senate amendment strikes the directed delegation clause to the AMS and authorizes \$11.5 million of CCC funds for each of FY 2019-23, to remain available until expended. There is no authorization of appropriations. (Section 10105)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment that provides \$24 million of CCC funds for FY 2019-2023. (Section 10105)

The Managers recognize that organic cost-share assistance is an important

resource for farmers desiring to transition into organic production or to obtain organic certification. In FY2017, the USDA transferred administration of the National Organic Certification Cost Share Program from the Agriculture Marketing Service to the Farm Service Agency. During this transfer, USDA obligated a fraction of the mandatory funding made available for organic cost-share assistance. The Managers direct the Secretary to expend all carryover funding that was made available for the National Organic Certification Cost Share Program, from fiscal years 2014 through 2018, during fiscal years 2019 through 2023. The Managers also direct the Secretary to develop and implement an outreach plan to reach organic farmers interested in organic cost-share assistance.

*(4) Specialty crop block grants*

The House bill amends the administrative requirements of the program to include and develop (in consultation with the Secretary) an evaluation of performance through cooperative agreements with State Departments of Agriculture and stakeholders to periodically evaluate the program. It authorizes the Secretary to use \$5 million each fiscal year 2018-23 towards multistate projects and adds new grant purposes. (Section 9004)

The Senate amendment provision amends state plan requirements to enhance the competitiveness of specialty crops at the national, regional and local levels. It also includes performance measures in the state plan developed by the State department of agriculture, in consultation with stakeholders. The Senate amendment requires the state plan to identify best practices for methods to enhance the competitiveness of specialty crops, requires an application meet the state plan requirements, adds an annual evaluation requirement regarding performance measures for States receiving a grant, and increases the cap on administrative expenses to 4 and 9 percent for the Secretary and States respectively. The section also requires the Secretary to provide guidance to States regarding best practices and priorities prior to the submission of State plans each year. It requires stakeholder input be used to develop priorities and considered by the Secretary as States develop a plan under eligibility requirements, clarifies the Administrator shall administer funds of approved multistate projects, and authorizes the Secretary to use \$5 million each fiscal year thereafter towards multistate projects. (Section 10107)

The Conference substitute adopts the House provision with an amendment that clarifies the Secretary may directly administer multistate projects for applicants in a nonparticipating-State and provides for the evaluation of the grant program. (Section 10107)

The Managers intend for the Specialty Crop Block Grant Program to be a state-driven program that improves the competitiveness and meets the priorities of specialty crop producers. The Managers are cognizant of the reporting challenges imposed at the Federal level on States administering Specialty Crop Block Grants and have therefore elaborated on those crop priorities to guide, in a cooperative manner, grant applicants, state departments of agriculture, and USDA on the state plan requirements, performance measures and evaluations needed to properly allocate resources. To broaden specialty crop stakeholder access to multi-state projects, the Managers adopted a modification to allow USDA to directly administer all aspects of multi-state projects for applicants in a nonparticipating state.

*(5) Plant variety protection*

The House bill defines the term “asexually reproduced”, adds asexual multiplication as an act constituting infringement of plant variety protection, and protects asexual reproducible plant material from certain acts in connection with sale, offering for sale or advertising. (Section 9005)

The Senate amendment is identical to section 9005(b) of the House bill. (Section 10108)

The Conference substitute adopts the House provision. (Section 10108)

The Managers recognize the importance of expanding the scope of the Plant Variety Protection Act to provide the same rights and protections provided to breeders of asexually propagated plants. The Managers expect the Department of Agriculture to promulgate the necessary rules and guidance to implement these amendments to the Plant Variety Protection Act no later than 1 year after the date of enactment of this Act.

*(6) Multiple crop and pesticide use survey*

The Senate amendment authorizes a multiple crop and pesticide use survey. (Section 10109)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with modification to include \$500,000 of CCC funding for FY 2019, to remain available until expended. (Section 10109)

The Managers recognize the importance of crop protection tools as crucial technologies for helping farmers prevent, manage, and eradicate pests and plant diseases that threaten crop production yields. The Managers intend for the Secretary of Agriculture, acting through the Office of Pest Management Policy, to conduct crop and pesticide use surveys for a variety of crops for the use of risk assessment modeling and mitigation for active ingredients. The Managers intend for the multiple crop and pesticide use surveys to be conducted frequently and in a timely manner to allow the Office of Pest Management Policy sufficient time to respond to the Environmental Protection Agency’s 60-day comment periods related to pesticide registrations. The Managers direct the Secretary of Agriculture to work with the Office of Management & Budget (OMB) to gain approval of a generic clearance for the purposes of this provision to meet the requirements of information collection review under the Paperwork Reduction Act (and as outlined in an April 7, 2010, OMB Memorandum for the Heads of Executive Departments and Agencies, and Independent Regulatory Agencies regarding information collection under the Paperwork Reduction Act). The generic clearance is necessary for the Department of Agriculture to gather and accurately communicate to the Environmental Protection Agency information regarding the agricultural community’s actual use patterns and mitigations in order for the Environmental Protection Agency’s final decisions to be more probabilistic and therefore more accurate and data based.

*(7) Clarification of use of funds for technical assistance*

The Senate amendment excludes technical assistance under this title of the 2018 farm bill from section 111 CCC cap. (Section 10110)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 10112)

*(8) Hemp production*

The Senate amendment provision amends the Agricultural Marketing Act of 1946 to allow States to regulate hemp production based on a state or tribal plan. The amendment requires that such plan includes information on locations of hemp production, testing for THC concentration, disposal of plants that are out of compliance, and negligence or other violations of the state or tribal plan. It requires the Secretary to establish a plan, in consultation with the U.S. Attorney General, for States and tribes without USDA approved plans to monitor and regulate hemp production. The section clarifies that nothing in this subtitle affects or modifies the Federal Food, Drug, and Cosmetic Act or authorities of the HHS Secretary and FDA Commissioner and clarifies that nothing in this title authorizes interference with the interstate commerce of hemp. (Sections 10111 & 10112)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with amendment, including auditing authority and a grandfather clause regarding program participation. (Sections 10113 and 10114)

In Sec. 297A, the Managers intend to clarify, within the hemp production subtitle, that hemp is defined as the plant *cannabis sativa L.*, or any part of that plant, including seeds, derivatives, and extracts, with a delta-9 tetrahydrocannabinol (THC) concentration of not more than 0.3 percent on a dry weight basis.

In Sec. 297B, the Managers intend to authorize states and tribal governments to submit a state plan to the Secretary for approval to have primary regulatory authority over the growing and production of hemp. The Managers do not intend to limit what states and tribal governments include in their state or tribal plan, as long as it is consistent with this subtitle. For example, states and tribal governments are authorized to put more restrictive parameters on the production of hemp, but are not authorized to alter the definition of hemp or put in place policies that are less restrictive than this title.

Within 60 days of receiving a state or tribal plan, the Secretary must approve or deny the plan. The Secretary is required to consult with the Attorney General regarding the approval or denial of state plans, but the Managers intend for the final decision to be made by the Secretary. The consultation with the Attorney General should not alter the 60 day requirement to approve or deny a plan.

The Managers authorized the Secretary to audit state and tribal compliance with an approved plan and take corrective action, including revoking approval, based on a state or tribal government's noncompliance, as appropriate. The Managers intend to allow state and tribal governments to appeal decisions by the Secretary pertaining to a state or tribal plan for hemp production and do not intend to preclude a state or tribal government from resubmitting a new state or tribal plan for consideration at a later date. If a state or tribal plan is denied or revoked, the Managers intend for hemp production in that state or tribal area to fall under the Secretary's jurisdiction as authorized in section 297C.

The Secretary is authorized to provide technical assistance to states and Indian tribes to aid in the development of a state or tribal plan.

The Managers define negligent and other types of producer violations that require enforcement under a state or tribal plan. The Managers also set limits on who may participate in state or tribal plans. Any person convicted of a felony relating to a controlled substance shall be ineligible to participate under the state or tribal plan for a

10-year period following the date of the conviction. However, this prohibition shall not apply to producers who have been lawfully participating in a state hemp pilot program as authorized by the Agricultural Act of 2014, prior to enactment of this subtitle.

Subsequent felony convictions after the date of enactment of this subtitle will trigger a 10-year nonparticipation period regardless of whether the producer participated in the pilot program authorized in 2014. Additionally, anyone who materially falsifies any information in their application to participate in hemp production through a state, tribal, or USDA plan shall be ineligible.

In Sec. 297C, the Managers intend to require the Secretary to develop a USDA plan or plans to be implemented in states and tribal territories that forego developing and submitting a state or tribal hemp production plan. The Managers expect the USDA plan or plans to meet the same content requirements as state and tribal plans in Sec. 297B. The USDA plan may contain, as determined by the Secretary, additional practices and procedures that are otherwise consistent with this subtitle. It is the Managers intent that the Secretary have discretion regarding the appropriate number of plans, one or more than one, needed to implement Sec. 297C.

The Managers require the Secretary to collect, maintain, and make accessible to Federal, state, territorial, and local law enforcement, real-time information regarding the status of a license or other authorization for all hemp producers, whether participating under a state, tribal, or USDA plan. The Managers encourage the Secretary to develop a memorandum of understanding with Federal law enforcement agencies to define the parameters of this system and to potentially share the costs of such information sharing system.

In Sec. 297D, the Managers clarify that the Secretary has the sole authority to issue guidelines and regulations regarding the production of hemp. However, nothing in this subtitle shall affect or modify the authority granted to the Food and Drug Administration and the Secretary of Health and Human Services under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.) or section 351 of the Public Health Service Act (42 U.S.C. 262), including for hemp-derived products. The Secretary is required to consult with the Attorney General on the promulgation of regulations, but ultimately, the regulations shall only be issued by the Secretary of Agriculture. To ensure that the Secretary moves forward with issuing regulations in as timely a fashion as possible, the Secretary shall periodically report to Congress with updates regarding implementation of this title.

While states and Indian tribes may limit the production and sale of hemp and hemp products within their borders, the Managers, in Sec. 10112, agreed to not allow such states and Indian tribes to limit the transportation or shipment of hemp or hemp products through the state or Indian territory.

*(9) Recognition and role of State lead agencies*

The House bill amends section 2(aa) of the Federal Insecticide, Fungicide, and Rodenticide Act (“FIFRA”) to include a definition of “State lead agency” for the purposes of FIFRA. It amends section 22(b) of FIFRA by limiting regulations to those promulgated by the EPA or within the authority of a State lead agency. The subsection further amends section 23(a)(1) of FIFRA to authorize States or Tribes to establish and maintain uniform regulation of pesticide through cooperative agreement with the Administrator of the EPA (“Administrator”). The section further amends section 24(a) of



the FIFRA to restrict the authority of a political subdivision of a State to regulate a pesticide beyond the Federal limits. Additionally the House bill amends section 25(a)(2) of FIFRA by requiring the Administrator to publish any comments regarding prescribed regulations promulgated pursuant to FIFRA from the Secretary or any State lead agency in the *Federal Register*, including any response to the comments, if such comments are received within 30 days of receipt of a copy of any such regulation. The section further allows for the Secretary or a State lead agency to request that any comments sent to the Administrator regarding prescribed regulations promulgated pursuant to FIFRA within 15 days of receipt of a copy of the regulation, including any responses to the comments, be published in the *Federal Register*. (Section 9101)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(10) Pesticide registration and use*

The House bill amends section 3(c)(5) of the FIFRA to require the Administrator of the EPA to register a pesticide if the Administrator determines that the pesticide, when used in accordance with widespread and commonly recognized practices, is not likely to jeopardize the survival of a federally listed threatened or endangered species or to alter habitat critical for the survival or recovery of such species. It further amends section 3 to require the Administrator to use the best scientific and commercial information available, which may include species and habitat information from the Secretary of Interior or Secretary of Commerce, and consider all restrictions on use when considering the criteria for the registration of a pesticide. The Administrator shall not be required to consult or communicate with the Secretary of the Interior or the Secretary of Commerce under the authority of any other statute when making such determination, unless otherwise petitioned by the registrant of the pesticide. The House bill amends section 3(c)(7) of FIFRA to require the Administrator to conditionally register or amend the registration of a pesticide under special circumstances if the Administrator determines that the pesticide, when used in accordance with widespread and commonly recognized practices, is not likely to jeopardize the survival of a federally listed threatened or endangered species or to alter habitat critical for the survival or recovery of such species. The House bill amends section 3(g)(1)(A) of FIFRA to require the Administrator to complete the determination, and subsequent periodic reviews, that a pesticide, when used in accordance with widespread and commonly recognized practices, is not likely to jeopardize the survival of a federally listed threatened or endangered species or to alter habitat critical for the survival or recovery of such species, over the following schedule: by October 1, 2026 for an active ingredient first registered on or before October 1, 2007; by October 1, 2033 for an active ingredient first registered between October 1, 2007 and the day before enactment; and not later than 48 months after the effective date of registration for an active ingredient registered on or after the date of enactment. The House bill amends section 5(a) of FIFRA to require the Administrator, when issuing an experimental use permit for a pesticide, to determine that the pesticide, when used in accordance with widespread and commonly recognized practices, is not likely to jeopardize the survival of a federally listed threatened or endangered species or to alter habitat critical for the survival or recovery of such species. The House bill amends section 6(b) of FIFRA to require the Administrator, when issuing a notice to cancel or change the classification of a pesticide, to determine that the pesticide, when used in



accordance with widespread and commonly recognized practices, is not likely to jeopardize the survival of a federally listed threatened or endangered species or to alter habitat critical for the survival or recovery of such species. The House bill amends section 12 of FIFRA to clarify that any taking of a federally listed threatened or endangered species resulting from the lawful use of a pesticide determined by the Administrator to meet the criteria specified in section 3(c)(5)(A)(v) is not considered unlawful. The House bill amends section 24(c) of FIFRA to require the Administrator, when denying a State pesticide registration, to determine that the pesticide, when used in accordance with widespread and commonly recognized practices, is not likely to jeopardize the survival of a federally listed threatened or endangered species or to alter habitat critical for the survival or recovery of such species. The House bill directs the Administrator to publish and continue to review a work plan for completing required determinations and implementing and enforcing registration standards. (Sections 9111, 9112, 9113, 9114, 9115 & 9116)

The Senate amendment contain no comparable provision.

The Conference substitute adopts the House provision with an amendment that establishes an interagency working group and requires certain reports in section 3 of FIFRA. (Section 10115)

*(11) Use of authorized pesticides; Discharge of pesticides*

The House bill amends section 3(f) of FIFRA to direct the Administrator or a State to not require a permit under the Federal Water Pollution Control Act for a discharge from a point source into navigable waters. It also amends section 402 of the Federal Water Pollution Control Act by adding new subsection(s) to prevent the Administrator or a State from requiring a permit for a discharge into navigable waters of a pesticide authorized under FIFRA except under listed circumstances. (Sections 9117 and 9118)

The Senate amendment contain no comparable provision.

The Conference substitute deletes the House provision.

*(12) Enactment of Pesticide Registration Improvement Enhancement Act of 2017*

The House bill enacts H.R. 1029. (Section 9119)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(13) Methyl bromide*

The House bill amends section 419 of the Plant Protection Act to clarify the authorized uses of methyl bromide. It allows the Secretary of Agriculture or a State, local, or Tribal authority to authorize the qualified use of methyl bromide in response to an emergency event. Subsection (a) also requires that any State, local, or Tribal authority that authorizes such use notify the Secretary within 5 days of such determination. A State, local, or Tribal authority may not authorize the use of methyl bromide if the Secretary objects to the use within 5 days of the notification. The House bill requires that a notification by any State, local, or Tribal government contain a certification of the authorization to use methyl bromide in response to an emergency event, a description of the emergency event and the economic loss that would result from such event, contact information for a designated responsible individual of the authority, the location of the

emergency event including the total acreage of the event, the identity of the pests to be controlled, the total volume of methyl bromide to be used, and the anticipated date of such use. It allows the Secretary to object to an authorization of use within 5 days of receipt of notification by a State, local, or Tribal authority. The Secretary shall provide notification of the objection in writing, including reasons for such objection and any additional information that the Secretary would require to withdraw the objection. The Secretary may object to an authorization if the Secretary determines the notification does not contain all the information required, does not demonstrate the existence of an emergency event, or the qualified use does not comply with the enumerated limitations on use. Subsection (c) also allows the Secretary to withdraw an objection if, within 14 days of the transmission of the notification for authorized use, the State, local, or Tribal government submits additional information to the satisfaction of the Secretary. Upon issuance of the withdrawal, the State, local, or Tribal authority may authorize the use of methyl bromide subject to the limitations of qualified use. The House bill deems the production, distribution, sale, shipment, application, or use of a pesticide containing methyl bromide pursuant to an authorization under this section to also be authorized under FIFRA, regardless of whether the use is registered under FIFRA, and included on the approved label for the product. The section limits the amount of methyl bromide that may be used per specific location of an emergency to 20 metric tons. Further, the aggregate amount of methyl bromide that may be used in the U.S. in a calendar year shall not exceed the total amount authorized by the Montreal Protocol on Substances that Deplete the Ozone Layer for critical use in the U.S. in calendar year 2011. It allows for the production or importation of methyl bromide in response to an emergency event notwithstanding any other provision of law, gives the Secretary exclusive authority for determining which species are considered quarantine pests, and includes definitions of relevant terms such as “emergency event,” “pests,” and “qualified use”. (Section 9121)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment that requires a study on methyl bromide use in response to an emergency event. (Section 10116)

The Managers intend that the Secretary of Agriculture engage substantively with the Secretary of State and the Administrator of the Environmental Protection Agency throughout the planning and conduct of the study, and in formulating any recommendations resulting from the study. The Managers intend that the definition of “emergency event” in this section only apply for the purposes, and the duration, of the study.

*(14) Preventing the arrival in the United State of forest pests through restrictions on the importation of certain plants for planting*

The House bill addresses cooperation between the Animal and Plant Health Inspection Service and the Forest Service to intercept tree and wood pests and would require a report on the interception of forest pests. (Section 9122)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment that authorizes a report on forest pests. (Section 10110)

*(15) Report on regulation of plant biostimulants*

The House bill authorizes a report on plant biostimulant products and defines the term “plant biostimulant”. (Section 9201)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with amendment authorizing a study including authority for the Secretary to modify the description of plant biostimulant. (Section 10111)

The Managers recognize the importance of plant biostimulants as an emerging technology for production agriculture. The Managers intend for the Secretary of Agriculture, in consultation with Administrator of the EPA, States, and relevant stakeholders, to provide a report to Congress that identifies any potential regulatory, non-regulatory, and legislative recommendations, including the appropriateness of any definitions for plant biostimulants. The Managers intend for this report to facilitate the regulatory framework for plant biostimulant products and ensure the efficient and appropriate review, approval, uniform national labeling, and availability of these products to agricultural producers.

## Title XI – Crop Insurance

### *(1) Definitions*

The Senate amendment defines “cover crop termination” and “hemp” as used in the Federal Crop Insurance Act (the “Act”). (Section 11101)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 11101)

### *(2) Data collection*

The Senate amendment amends section 506(h)(2) of the Act to require appropriate data collected by the National Agricultural Statistics Service (NASS) and through the Noninsured Crop Disaster Assistance Program (NAP) be provided to the Federal Crop Insurance Corporation (FCIC). The data must be provided in an aggregate form. (Section 11102)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 11102)

The Managers intend that any additional information made available from the Farm Service Agency (FSA) related to NAP records, which could assist with new product development, be shared with the applicants under section 11103.

### *(3) Sharing of records*

The Senate amendment amends section 506(h)(3) of the Act to require the Secretary to share records with private developers of crop insurance products who have received payment under section 522(b)(2)(E) related to crop insurance policy research and development costs. (Section 11103)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 11103)

The Managers intend that the sharing of records be limited to policies directly being developed by the applicants.

### *(4) Use of resources*

The Senate amendment amends section 507(f) of the Act to update the resources, data, boards, and the committees the Board should use within the Department, including sharing information to support the transition of crops from NAP to crop insurance. (Section 11104)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with modifications that add board discretion and remove certain assessment requirements. (Section 11104)

The Managers recognize that the Risk Management Agency (RMA), Natural Resources Conservation Service (NRCS) and FSA serve a significant number of common program participants. The Managers expect the agencies to coordinate to avoid duplication, streamline or create common processes, and make participants aware of opportunities even if the participants are outside that particular agency. For example, a producer may have some crops that are eligible for Federal Crop Insurance and others that are eligible for FSA’s NAP. The Managers encourage USDA to establish procedures in both agencies to make sure producers are informed of all of their options for coverage without regard to which agency the producers interact with first.

*(5) Specialty crops coordinator*

The Senate amendment amends section 507(g) of the Act to require the Specialty Crops Coordinator to designate a Specialty Crop Liaison in each regional field office, and to establish a website focused on the efforts of the FCIC to provide and expand crop insurance for specialty crop producers. (Section 11105(a))

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with a modification to remove specific requirements for the website. (Section 11105)

The Managers intend for the website required under new section 507(g)(5) of the Act to include an online mechanism to provide comments relating to specialty crops and a calendar publishing opportunities to provide comments at specialty crop events or public forums. The Managers also encourage the Specialty Crops Coordinator to publish on the website a plan, with projected completion dates, for expanding existing policies or plans of insurance for specialty crops to new crops, new areas, and by adding new revenue options or endorsements.

*(6) Addition of specialty crops and other value-added crops*

The Senate amendment amends section 508(a)(6) of the Act to require the manager of the FCIC to annually prepare, to the maximum extent practicable, at least 2 of each of the following: (1) research and development for a policy or plan of insurance for a new crop; (2) expansion of an existing policy or plan of insurance to additional counties or states (including malting barley); and (3) research and development for a policy or plan of insurance, or endorsement, for crops with existing policies or plans of insurance, such as dollar plans. (Section 11105(b))

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with a technical modification replacing a description and an amendment to decrease the number of required actions from 2 of each to 1 of each. (Section 11105)

The Managers intend for this provision to be implemented in coordination with other changes that improve data sharing between FSA and RMA. The Managers intend for NAP data to be used to support expanding Federal Crop Insurance to additional crops and, for existing insurable crops, to additional counties. The Managers recognize that Federal Crop Insurance provides significantly better risk protection for producers and expect the combination of these changes with the annual review under this section to act as an “on-ramp” for producers to more robust risk management options.

*(7) Insurance period*

The Senate amendment amends section 508(a)(2) of the Act to add hemp. (Section 11106)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 11106)

*(8) Cover crops*

The Senate amendment amends section 508(a)(3) of the Act to include a conservation activity or enhancement (including cover crops) that is approved by the Natural Resources Conservation Service or an agricultural expert. Requires that

voluntary good farming practices be considered a good farming practice only if the insured crop may be expected to make normal progress toward maturity under typical growing conditions. It also provides standards for cover crop termination and summer fallow in relation to insurability. (Section 11107)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with modifications to clarify termination guidelines and provides that an exception can be recommended by the Natural Resources Conservation Service or an agricultural expert, as determined by the Corporation, unless the exception is determined to be unreasonable by the Corporation. (Section 11107)

The Managers note that producers considering voluntary conservation practices like cover crops, whether directly through a USDA conservation program or informally according to USDA's recommended procedures, should have confidence that following the program guidance, procedures or advice will not impact their insurability or protection under Federal Crop Insurance. The Managers expect USDA to coordinate internally and provide clear guidance to farmers, agents and loss adjustors to ensure that guidance, procedures, or advice regarding voluntary conservation practices from one part of USDA does not potentially put other USDA benefits at risk.

*(9) Underserved producers*

The Senate amendment modifies section 508(a)(7) of the Act to: (1) clarify that the definition of "adequately served" applies "by crop"; (2) add a definition of the term "underserved producer" to mean "a beginning farmer or rancher, a veteran farmer or rancher, or a socially disadvantaged farmer or rancher"; (3) include a review of the types of production common among underserved producers and types of production, such as diversified production for local markets; and (4) require a report every 3 years to include recommendations to increase participation in states and among underserved producers that are not adequately served by crop insurance. (Section 11108)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with a modification to add Tribes and Tribal Members to the definition of underserved producers. (Section 11108)

The Managers recognize that while underserved producers are involved in a wide variety of agricultural production and crops, many of these producers are concentrated in certain types of production. Therefore, the Managers intend for the Board to examine types of production common among underserved producers, including diversified production for local markets.

*(10) Administrative basic fee*

The House bill increases the basic administrative fee to \$500 per crop per county. (Section 10002)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with modifications to set the basic administrative fee at \$655 per crop per county. (Section 11110)

*(11) Prevention of duplicate coverage*



The House bill amends section 508(c)(1) of the Act to provide that crops for which the producer has elected Agriculture Risk Coverage, or that are enrolled in the Stacked Income Protection Plan, are ineligible for coverage based on an area yield and loss basis or supplemental coverage. It also makes certain conforming amendments. (Section 10003)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(12) Performance-based discount*

The House bill amends section 508(d) of the Act to repeal the authority for performance-based discounts for producers. It also makes certain conforming amendments. (Section 10004)

The Senate amendment amends section 508(d)(3) of the Act to allow the FCIC to offer premium discounts for practices that can be demonstrated to reduce risk, considering precision irrigation, fertilization, crop rotations, cover crops, and other appropriate practices. (Section 11109)

The Conference substitute deletes both provisions.

The Managers note that Federal Crop Insurance must be made available to all producers at rates and prices set by the RMA. Rebating is strictly prohibited by the Act, with specific limited exceptions. This prohibition against rebating, whether in the form of discounts, incentives, or other inducements, ensures fair treatment for all producers. The Managers commend RMA for taking the rebating prohibition seriously and carrying out section 508(a)(9)(B)(iii) in a manner that is consistent with Congressional intent and current law.

*(13) Enterprise units*

The Senate amendment amends section 508(e)(5) of the Act to allow a producer to establish a single enterprise unit by combining across county lines: (1) enterprise units; or (2) all basic units and all optional units. (Section 11110)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 11111)

The Managers do not intend for the new section 508(e)(5)(E) of the Act to mandate enterprise units that would cross state boundaries. Further, the Managers do not intend to change the Corporation's authority to offer enterprise units, beyond the authority to combine enterprise units as provided in new section 508(e)(5)(E).

*(14) Treatment of forage and grazing*

The House bill amends section 508(b)(1) of the Act to strike the exception that provides that catastrophic risk protection plans shall not be available for crops and grasses used for grazing. It also adds a new section 508D, which permits separate crop insurance policies, including a catastrophic risk protection plan under which crops that can be both grazed and mechanically harvested on the same acres during the same growing season are eligible. Provides that such separate policies can be independently indemnified for each intended use. Additionally, the House bill amends section 508(n) of the Act to specifically except coverage under the new section 508D from the section 508(n) limitations. (Section 10001)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with technical modifications to clarify the provision allows producers to purchase separate policies for each intended use, as determined by the FCIC, and any indemnity paid under those policies for each intended use shall not be considered to be for the same loss for the purposes of section 508(n) of the Act. (Section 11109)

The Managers note there are a suite of programs administered by FSA or offered by RMA that address risks faced by livestock owners and forage producers. The Managers believe the Secretary should take into consideration the different causes of loss covered by these programs when carrying out the limitation on multiple benefits for the same loss.

*(15) Pasture, rangeland, and forage policy for members of Indian tribes*

The Senate amendment amends section 508(e)(7) of the Act to provide premium subsidy at the rate of 90 percent for a member of an Indian tribe for the first purchase of Pasture, Rangeland, and Forage insurance. (Section 11111)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate amendment.

*(16) Continued authority*

The House bill amends section 508(g) to require FCIC to establish: (1) underwriting rules to provide producers with an election to limit the decrease in actual production history (APH) to not more than 10 percent of the prior crop year's APH, provided that the production decline was the result of drought, flood, natural disaster, or other insurable loss; and (2) actuarially sound premiums to cover the additional risk. (Section 10005)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 11112)

The Managers note that RMA has a long history of offering producers protection from a decrease of more than 10% in their APH. The Managers intend for RMA to continue offering this option to producers in conjunction with other APH adjustments in statute.

*(17) Submission of policies and materials to the board*

The Senate amendment amends section 508(h) of the Act to authorize the FCIC Board, in the case of a policy, pilot program, and other materials relating to the production of hemp, to waive the viability and marketability requirements under section 508(h). (Section 11112)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 11113)

*(18) Whole farm revenue agent incentives*

The Senate amendment amends section 508(k) of the Act to provide an additional reimbursement to an agent that sells a Whole Farm Revenue Policy. (Section 11113)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate amendment.

*(19) Crop production on native sod*

The Senate amendment amends section 508(o)(2)(A) of the Act to provide that: (1) during the period beginning on February 8, 2014, and ending on the date of enactment of the 2018 farm bill, native sod acreage that has been tilled for the production of an insurable crop shall be subject to 4 cumulative years of a reduction in benefits. Additionally, the Senate amendment provides that, as a condition on the receipt of crop insurance benefits, a producer that has tilled native sod acreage for the production of an insurable crop shall certify that acreage to the Secretary using a specified acreage report form and 1 or more maps, and submit corrections or updates as appropriate. It also requires the Secretary to submit an annual report to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry (the “Agriculture Committees”) describing the tilled native sod acreage that has been certified in each county and State. (Section 11114)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with amendments to clarify that native sod acreage that has been tilled would be subject to a reduction in benefits for not more than four cumulative years during the first ten years after initial tillage. The amendment also removes the option for a governor of a State to elect to have the requirements apply to the State, if the State is not currently subject to the requirements. (Section 11114)

The Managers intend for producers in Iowa, Minnesota, Montana, Nebraska, North Dakota, and South Dakota who till native sod to have either a reduction in crop insurance benefits or have the land not participate in crop insurance for a significant period. By making the reduction in benefits cover any insurable crop rather than annual crops, the Managers intend to remove the possibility of a producer avoiding these ramifications by planting a perennial crop.

*(20) Use of national agricultural statistics service data to combat waste, fraud, and abuse*

The Senate amendment amends section 515(d)(1) of the Act to include the use of published aggregate data from NASS or any other data source to: (1) detect yield disparities or other data anomalies that indicate potential fraud; and (2) target the relevant counties, crops, regions, companies, or agents associated with that potential fraud for audits and other enforcement actions. (Section 11115)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 11115)

The Managers encourage the FCIC to incorporate or include published aggregate data from the NASS in existing data mining efforts and other activities to combat waste, fraud, and abuse. The Managers do not intend for the additional data sets to duplicate, substitute, or replace ongoing fraud reduction efforts and activities, such as data mining currently carried out by the Center for Agribusiness Excellence.

*(21) Submission of information to corporation*

The Senate amendment amends section 515(g) of the Act to require Approved Insurance Providers (“AIPs”) to submit to FCIC the actual production history used to establish insurable yields not later than 30 days after the applicable production reporting date for the crop to be insured. (Section 11116)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment to limit the submission requirements with respect to a policy for a covered commodity (as defined in section 1111 of the Agricultural Act of 2014 (7 U.S.C. 9011)) and to allow AIPs the ability to correct errors in the information. (Section 11116)

The Managers intend for the FCIC to establish procedures to collect actual production history to be used to establish insurable yields from AIPs. The Managers intend for the information to be shared with FSA for use in administering commodity programs. The Managers expect the FCIC to implement this provision in a reasonable manner without penalty to producers or AIPs, while continuing to allow AIPs the ability to correct errors in the information.

*(22) Acreage report streamlining initiative*

The Senate amendment amends section 515(j)(1)(B)(ii) of the Act to: (1) provide that producers may report acreage and other information to the Department electronically (including in the form of geospatial data) or conventionally; (2) require the Administrators of the RMA and the FSA to implement a consistent method for determining crop acreage, acreage yields, farm acreage, property descriptions, and other common informational requirements, including measures of common land units; and (3) require each AIP to accept from a producer or an authorized agent of a producer reports of crop acreage, acreage yields, and other information electronically (including in the form of geospatial data) or conventionally. (Section 11117)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate amendment.

The Managers note that direction on this joint initiative between RMA and FSA has been consolidated in title I. The Managers expect RMA and the FCIC to continue to coordinate with FSA and to make significant progress to streamline processes for producers.

*(23) Continuing education for loss adjusters and agents*

The Senate amendment amends section 515 of the Act to further require FCIC to establish requirements for continuing education for loss adjusters and agents of AIPs to ensure that both are familiar with appropriate conservation activities and agronomic practices that are common and appropriate to the area in which the insured crop being inspected is produced, and include organic and sustainable practices. (Section 11118)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with a modification to broaden the education topics. (Section 11117)

*(24) Funding for information technology*

The Senate amendment bill amends section 515(k) of the Act to provide \$1 million for each of fiscal years 2019 and 2020. (Section 11119)

The House bill contains no comparable provision.  
The Conference substitute deletes the Senate amendment.

*(25) Program administration*

The House bill reduces the amount that FCIC may use under section 516(b)(2)(C)(i) to not more than \$7 million per fiscal year. (Section 11119)

The Senate amendment contains no comparable provision.  
The Conference substitute adopts the House provision. (Section 11118)

*(26) Agricultural commodity*

The Senate amendment adds hemp to the list of commodities enumerated in section 518. (Section 11120)

The House bill contains no comparable provision.  
The Conference substitute adopts the Senate amendment. (Section 11119)

The Managers expect that in determining the insurability of a crop of hemp under the Act, and in providing insurance options to hemp producers, RMA will collaborate with the appropriate USDA, state, or tribal authorities as necessary to do so consistent with the regulations and guidelines established in subtitle G of the Agricultural Marketing Act of 1946. The Managers note that USDA or the appropriate state or tribal authority, and not AIPs, agents, or loss adjusters, bear the responsibility of determining that a crop grown as hemp complies with the applicable regulations and guidelines under Subtitle G.

The Managers also intend for “aquacultural species” to include algae species as determined appropriate by the Board.

*(27) Maintenance of policies; Reimbursement of research, development, and maintenance costs*

House bill section 10007(a) amends section 522(b) of the Act to—

(1) allow for reimbursement of “reasonable and actual research and development costs” for policies that have been approved by the FCIC Board;

(2) require that costs of the applicant shall be considered “reasonable and actual costs” if the costs are based on—

(A) wage rates equal to 2 times the hourly wage rate plus benefits, as provided by the Bureau of Labor Statistics; or

(B) actual documented costs incurred by the applicant;

(3) designate the applicant (as opposed to the AIP) authority to determine whether to maintain a policy, and to establish the fee to be paid for maintenance of the policy;

(4) require the FCIC Board to approve the amount of a fee unless the Board determines, based on substantial evidence in the record, that the amount of the fee unnecessarily inhibits the use of the policy; and

(5) prohibit the FCIC Board from disapproving a user fee based on its comparison to a maintenance fee, or on the potential for the fee to result in a financial gain or loss to the applicant.

The House bill also provides that the amendments shall apply to reimbursement requests made on or after October 1, 2016, and that requests for reimbursement previously denied between October 1, 2016, and the date of enactment of this Act may be resubmitted. (Section 10007).

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with amendments to clarify reasonable costs apply to any employees or contracted personnel costs. The amendment also modifies the requirements for the Board to approve or disapprove the amount of a maintenance fee, by including that the fee shall remain in effect and not be reviewed by the Board unless specified criteria are met. (Section 11120)

The Managers believe the remuneration provided to the submitters of policies developed under the 508(h) process ensures that underserved commodities have a fair opportunity to benefit from innovative risk management solutions. The Managers expect RMA and the FCIC Board to work with private submitters and those maintaining the policies developed to determine fair compensation for work on these policies.

*(28) Maintenance of policies; reimbursement of research, development, and maintenance costs*

The Senate amendment amends 522(b) of the Act to waive the viability and marketability requirements for hemp under paragraphs (2) and (3). (Section 11121)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 11121)

*(29) Research and development priorities and authorities*

The House bill amends paragraph (7) of the Act (as redesignated from current paragraph (19)) to define “beginning farmer or rancher” for purposes of research and development of whole farm insurance plans as having actively operated and managed a farm or ranch for less than 10 years. This is longer for these purposes than the Act’s underlying definition as having actively operated and managed a farm or ranch for up to 5 years. (Section 10008)

The Senate amendment amends paragraph (7) (as redesignated from current paragraph (19)) of the Act to require FCIC, within 2 years, to hold stakeholder meetings to solicit feedback, review and modify procedures and paperwork requirements to decrease burdens, and increase flexibility and effectiveness.

(Section 11122)

The Conference substitute adopts both provisions with amendments to include additional factors the FCIC Board shall consider during review of the whole farm revenue protection policy. (Section 11122)

The Managers note the continued growth of Whole Farm Revenue Policies (WFRP). The Managers believe that this policy has the potential to provide vital risk management to producers who are underserved by crop insurance and enhance options for existing policy holders. The Managers note that WFRP has the potential to provide meaningful risk protection for non-traditional agricultural commodities (e.g. aquaculture) or production and marketing systems (e.g. urban, local food, or greenhouses), that are not served as well under current yield or revenue-based policies for individual crops.

The Managers believe that RMA should make WFRP policies more effective. In carrying out the review described in new section 522(c)(7)(E) of the Act, the Managers urge RMA to expedite the analysis of removing the cap on livestock and nursery revenue, incorporating crop insurance indemnities and NAP payments into historical revenue, and allowing all producers, regardless of total average revenue, to insure up to the maximum amount of liability. Additionally, the Managers expect RMA to solicit input from the diverse group of producers participating in WFRP and take appropriate steps to



streamline, add flexibility or tailor program rules to diverse producers' needs and circumstances.

The Managers also expect RMA to work with FSA to notify the existing beginning farmers registered with FSA of the additional benefits under WFRP related to the newly aligned beginning farmer definition.

*(30) Tropical storm or hurricane insurance*

The House bill adds a new section 522(c)(9) of the Act to require FCIC to enter into 1 or more contracts with qualified entities to carry out research and development of policies (including for tomato, pepper, and citrus crops) (1) against losses due to a tropical storm or hurricane; (2) to evaluate the effectiveness of a risk management tool for a low frequency, catastrophic loss weather event; and (3) to provide protection for production or revenue losses, or both. (Section 10008(c))

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with technical modifications. (Section 11122)

The Managers note hurricanes and tropical storms caused significant agricultural damage in 2017 and 2018 to crops with high levels of crop insurance participation, but low levels of coverage, which led to passage of additional ad hoc disaster assistance. The Managers expect RMA to identify policies that could provide cost effective insurance options for catastrophic weather events such as tropical storms and hurricanes to alleviate the need for such disaster assistance in the future.

*(31) Subsurface irrigation practices*

The House bill adds a new section 522(c)(10) of the Act to require that FCIC offer to enter into a contract with a qualified entity to conduct research and development on the creation of a separate practice for subsurface irrigation, including the establishment of a separate transitional yield within the county that is reflective of the average gain in productivity and yield associated with the installation of a subsurface irrigation system. (Section 10008(c))

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with technical modifications. (Section 11122)

The Managers note that instantaneous gains in productivity can be achieved through the adoption of subsurface irrigation systems. The Managers expect these methods to be carefully examined and, if appropriate, treated as a separate irrigation practice so that a producer's APH may more accurately reflect the yield and revenue potential of the crop following the installation of such system.

*(32) Irrigated grain sorghum crop insurance policy*

The Senate amendment adds a new section 522(c)(9) of the Act to require FCIC to carry out, or to enter into 1 or more contracts with qualified entities to carry out, research and development regarding improvements to 1 or more policies to insure irrigated grain sorghum, and alternative methods for producers with not more than 4 years of production history to insure irrigated grain sorghum. It also requires the FCIC to submit within 1 year to the Agriculture Committees a report that describes the results of the study and any related recommendations. (Section 11122(4))

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with technical modifications and an amendment to study grain sorghum rates and yields compared to policies for other feed grains. (Section 11112)

*(33) Study and report on grain sorghum rates and yields*

The House bill adds a new section 522(c)(11) of the Act to require that FCIC enter into a contract with a qualified entity to conduct a study to assess the differences in rates, average yields, and coverage levels of grain sorghum policies as compared to other feed grains within a county. It also requires FCIC to submit to the Agriculture Committees a report that describes the results of the study within 1 year. (Section 10008(c))

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(34) Limited irrigation practices*

The Senate amendment adds a new section 522(c)(10) of the Act to require FCIC to: expand the availability of the limited irrigation insurance program to not fewer than 2 neighboring States; carry out, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out, research on the marketability of the existing limited irrigation insurance program; and make recommendations on how to improve participation in the program. It also requires a qualified person, in carrying out the research, to collaborate with certain researchers, and State and Federal officials; provide recommendations to encourage limited irrigation and water conservation; and develop applicable web-based applications. Additionally, the section requires FCIC to submit within 18 months to the Agriculture Committees a report that describes the results of the study, recommendations, and any actions taken by FCIC to carry out the recommendations. (Section 11122(10))

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with amendments to include “consider expanding” and remove the requirement of expansion to not fewer than two states. (Section 11122)

*(35) Quality loss*

The House bill adds a new section 522(c)(12) to the Act to require that FCIC offer to enter into a contract with a qualified entity to conduct research and development on the establishment of an alternative method of adjusting for quality losses that does not impact the average production history of producers. Notwithstanding subsections (g) and (m) of section 508 of the Act, it requires that if FCIC uses any method developed as a result of the contract to adjust for quality losses, such method shall be optional for producers to elect to use, and offered at an actuarially sound premium rate. (Section 10008(c))

The Senate amendment adds a new section 522(c)(11) to the Act to require FCIC to carry out, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out, research and development on establishing alternative methods of adjusting for quality losses.

Notwithstanding subsections (g) and (m) of section 508 of the Act, any method developed under the research and development that is used by FCIC shall be optional for

a producer to use, and offered at an actuarially sound premium rate. The section states not later than 1 year after the date of enactment, FCIC shall submit to the Agriculture Committees a report that describes the results of the research and development. (Section 11122(4))

The Conference substitute adopts the Senate amendment with a modification regarding actual loss. (Section 11122)

The Managers intend for the research and development required under new section 522(c)(10) of the Act to include, but not be limited to, wheat for alternative methods of adjusting for quality losses. The Managers also intend the requirements in subparagraph (B) of the new section 522(c)(10) to be considered during the research and development.

*(36) Citrus*

The Senate amendment adds a new section 522(c)(12) to the Act to require FCIC to carry out, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out, research and development on the insurance of citrus fruit, including improvements to 1 or more existing policies, including the Whole-Farm Revenue Protection pilot policy; alternative methods of insuring revenue for citrus; and the development of new, or expansion of existing, revenue policies for citrus fruit. It requires FCIC to submit within 1 year to the Agriculture Committees a report that describes the results of the study and any related recommendations. (Section 11122(4))

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 11122)

*(37) Greenhouse policy*

The Senate amendment adds a new section 522(c)(13) to the Act to require FCIC to carry out, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out, research and development on a policy to insure in a controlled environment such as a greenhouse the production of floriculture, nursery, and bedding plants; or the establishment of cuttings, seedlings or tissue culture in a growing medium. It requires FCIC to make a policy or plan of insurance available notwithstanding law that otherwise requires that: losses must be due to drought, flood, or other natural disaster (508(a)(1)); and insurance shall not extend beyond the period during which the insured commodity is in the field. The section requires FCIC to submit within 1 year to the Agriculture Committees a report that describes the results of the research and development and any related recommendations. (Section 11122(4))

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 11122)

The Managers intend for the research and development to consider policies or plans for coverage that are limited to losses outside of the producer's control or management, and that the producer follow good farming practices. The Managers expect RMA to consider all potential eligible losses and encourage the review of circumstances related to the Ralstonia outbreak in 2005 in Michigan and other states as it develops a policy.

*(38) Hops*

The Senate amendment adds a new section 522(c)(14) to the Act to require FCIC to carry out, or to enter into 1 or more contracts with qualified persons to carry out, research and development regarding a policy to insure the production of hops or revenue derived from the production of hops. It requires FCIC to submit within 1 year to the Agriculture Committees a report that describes the results of the research and development and any related recommendations. (Section 11122(4))

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 11122)

*(39) Local foods*

The House bill contains no comparable provision.

The Senate amendment adds a new section 522(c)(15) to the Act to require FCIC to carry out, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out, research and development on a policy to insure production of floriculture, fruits, vegetables, poultry, livestock, or the products of floriculture, fruits, vegetables, poultry, or livestock, that is targeted toward local consumers and markets. Additionally, the section requires that the research and development evaluate the effectiveness of policies and plans of insurance for production targeted toward local consumers and markets, based on a detailed list of factors. The section requires FCIC to submit within 1 year to the Agriculture Committees a report that examines whether a version of existing policies such as the Whole-Farm Revenue Protection insurance plan may provide improved coverage for producers of local foods, describes the results of the research and development, and any related recommendations. (Section 11122(4))

The Conference substitute adopts the Senate amendment with modifications to the research and development as a feasibility study and to remove a specific list of marketing strategies to be evaluated. (Section 11122)

The Managers intend for the feasibility study to consider a variety of marketing strategies for local foods including direct-to-consumer; farmers markets; farm-to-institution; and community-supported agriculture.

*(40) Insurable irrigation practices for rice*

The Senate amendment adds a new section 522(c)(16) to the Act to require FCIC to carry out, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out, research and development to include new and innovative irrigation practices under the current rice policy, or the development of a distinct plan of insurance or policy endorsement rated for rice produced using alternate wetting and drying practices (also referred to as "intermittent flooding"), and furrow irrigation practices. It requires FCIC to submit within 1 year to the Agriculture Committees a report that describes the results of the research and development and any related recommendations. (Section 11122(4))

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 11122)

*(41) High-risk, highly productive batture land policy*

The Senate amendment adds to the Act a new section 522(c)(17) to require FCIC to carry out, or offer to enter into 1 or more contracts with 1 or more qualified persons to carry out, research and development to insure producers of corn, cotton, and soybeans

with operations on highly productive batture land within the Lower Mississippi River Valley that have a history of production of not less than 5 years, and that have been impacted by more frequent flooding over the past 10 years due to sedimentation and federally constructed engineering improvements. It requires FCIC to make a policy or plan of insurance available notwithstanding law that otherwise requires that: losses must be due to drought, flood, or other natural disaster (508(a)(1)); and insurance shall not extend beyond the period during which the insured commodity is in the field. Additionally the section requires FCIC to submit within 1 year to the Agriculture Committees a report that examines whether a version of existing policies may be tailored to provide improved coverage for batture-land producers, describes the results of the research and development, and any related recommendations. (Section 11122(4))

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with a provision to remove the reference to a specific river mile location within the Lower Mississippi River Valley. (Section 11122)

*(42) Extension of funding for research and development*

The House bill repeals section 522(d) of the Act and reduces funding from \$12.5 million to \$8 million annually. (Section 10009)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment to maintain the authority for partnerships for risk management development. (Section 11123)

The Managers note that under the partnerships authority in section 522(d), RMA is not required to offer Risk Management Education grants, and that crop insurance education grants for underserved producers have been consolidated under the Partnerships for Risk Management Education in section 524. In allocating the funding available under section 522, the Managers expect RMA to prioritize research and development activities.

*(43) Education and risk management assistance*

The House bill amends section 524 of the Act to: eliminate the crop insurance education program for underserved states (section 524(a)(2)) and its funding; eliminate the Agricultural Management Assistance (AMA) program (section 524(b)) and its funding; and maintain the competitive grant program to educate agricultural producers and its \$5 million in annual funding. (Section 10010)

The Senate amendment amends section 524(a)(3)(A) of the Act to add “conservation activities” to the list of allowable activities funded under the partnerships for risk management education. (Section 11123).

The Conference substitute adopts the House provision with amendments to consolidate the crop insurance education grants for underserved producers with the Partnerships for Risk Management Education in section 524 of the Act and to maintain the authority and funding for the Agriculture Management Assistance program. (Section 11125)

The Managers intend for educational programs for underserved producers in this title to include users of dairy risk management policies or plans for coverage.

*(44) Cropland report annual updates*

The Senate amendment amends section 11014(c)(2) of the Act to extend the annual reporting requirement through 2023. (Section 11124)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment striking the cropland report authority and annual requirements. (Section 11126)

The Managers note that the cropland report was consolidated with the native sod report and appears in new section 1614(f) of the Agricultural Act of 2014, as added by section 1706(f) in title 1 of this bill.



Title XII – Miscellaneous

*(1) Sheep production and marketing grant program*

The House bill provides \$2 million in CCC mandatory funds for FY 2019 to carry out section 209 of the Agricultural Act of 1946, to remain available until expended. (Section 11304(e)(3))

The Senate amendment amends section 209 to authorize appropriations of \$1.5 million for each of fiscal years 2019 through 2023. (Section 12101)

The Conference substitute adopts the House provision with amendment. The House bill established a Textile Trust Fund, of which the Sheep Marketing and Production Grant Program was an underlying subsection. The Conference substitute provides \$2 million in CCC mandatory funds for FY 2019 to carry out section 209 of the Agricultural Act of 1946, to remain available until expended, but does so within the existing authority, rather than as a subsection of a Textile Trust Fund. (Section 12102)

*(2) National Animal Health Laboratory Network*

The House bill addresses funding of the National Animal Health Laboratory Network (NAHLN) by amending section 10417 of the Animal Health Protection Act and providing mandatory funding of \$30 million for fiscal year 2019, to remain available until expended. Additionally, the bill provides funding of up to \$20 million for each of fiscal years 2020 through 2023 to carry out the NAHLN, the National Animal Health Vaccine Bank, or the National Animal Disease Preparedness and Response Program. The bill further reauthorizes the authorization for appropriations of \$15 million for each of fiscal years 2019-2023, to remain available until expended. The existing authorization of appropriations for NAHLN in section 10409A(d) is repealed through a conforming amendment. (Section 11101)

The Senate amendment amends section 10409A(d) to increase the authorization of appropriations to \$30 million per year for fiscal years 2019 through 2023. (Section 12102)

The Conference substitute amends the existing NAHLN authority to establish a program addressing animal disease prevention and management. It further establishes the National Animal Disease Preparedness and Response Program (NADPRP) and the National Animal Vaccine and Veterinary Countermeasures Bank (NAVVCB). The substitute provides \$120 million of mandatory funding for the period of fiscal years 2019-2022, of which \$100 million is to be allocated among the NAHLN, the NADPRP and the NAVVCB. It further provides \$30 million of mandatory funding for fiscal year 2023 and each year thereafter, of which \$12 million is to be allocated among the NAHLN, the NADPRP and the NAVVCB. Additionally, the authorization for appropriations for the NAHLN is increased to \$30 million per year for fiscal years 2019-2023, to remain available until expended. Finally, conforming amendments are made to the existing authorization for appropriations for NAHLN in section 10409A (Section 12101).

The National Animal Health Laboratory Network (NAHLN) serves to connect state, federal and university laboratories to coordinate animal disease surveillance and testing capabilities, and supports the National Veterinary Services Laboratory by providing early confirmation of animal diseases. During the 2015 outbreak of Highly Pathogenic Avian Influenza, many disease confirmation tests were conducted by laboratories operating under the NAHLN, and this rapid confirmation allowed for

depopulation of infected flocks and establishment of safety protocols around infected farms. These timely actions were made possible by NAHLN laboratories providing early diagnosis of the disease and were critical in curtailing the outbreak.

The Managers recognize the need for modernization of laboratory testing capabilities and information technology infrastructure across the NAHLN. Section 12101 of this act provides \$120 million of Commodity Credit Corporation funds for the period of fiscal years 2019-2022, of which \$100 million is to be allocated among the NAHLN, the National Animal Disease Preparedness and Response Program (NADPRP) and the National Animal Vaccine and Veterinary Countermeasures Bank (NAVVCB). For fiscal year 2023 and each year thereafter, the Managers provide \$30 million of Commodity Credit Corporation funds, of which \$12 million is to be allocated among the NAHLN, the NADPRP and the NAVVCB. Additionally, the authorization for appropriations for the NAHLN is increased to \$30 million per year for fiscal years 2019-2023.

The Managers intend for the Secretary to make annual assessments on how best to allocate a portion of the funds provided under Section 12101 in order to address animal disease preparedness and response needs that may vary from year to year.

*(3) National animal disease preparedness, response, and recovery program; national animal vaccine and veterinary countermeasures bank*

The House bill establishes the National Animal Disease Preparedness and Response Program and the National Animal Health Vaccine Bank, to address the risk of introduction and spread of animal pests and disease affecting the economic interests of the U.S. livestock and related industries, including the maintenance and expansion of export markets. The bill requires that the program be carried out by the Secretary through cooperative agreements with eligible entities, including a State department of agriculture or universities. Specific activities that are to be carried out through cooperative agreements are described in this subsection. Section 10409B further describes program application processes and priorities, use of funds, and reporting requirements similar to those provided by the Senate Amendment.

The House bill further establishes the National Animal Health Vaccine Bank for the benefit of the domestic interests of the United States and to help protect the U.S. agriculture and food system against terrorist attack, major disaster, and other emergencies. The bill requires that the Vaccine Bank maintains sufficient quantities of animal vaccine, antiviral, therapeutic, or diagnostic products to appropriately and rapidly respond to animal disease outbreaks that would have the most damaging effect on human health or the economy. The Secretary is instructed to prioritize the acquisition of sufficient quantities of Foot and Mouth Disease vaccine, and accompanying diagnostic products, and the Secretary shall consider contracting with one or more entities that are capable of producing foot-and-mouth disease vaccine and that have surge production capacity of the vaccine.

The mandatory funding in the House bill includes \$30 million for the National Animal Health Laboratory Network (NAHLN), \$70 million for the National Animal Disease Preparedness and Response Program, and \$150 million for the National Animal Health Vaccine Bank in fiscal year 2019. In each of fiscal years 2020 through 2023, \$50 million in mandatory funding is provided to carry out the NAHLN, the National Animal Disease Preparedness and Response Program, and the National Animal Health Vaccine

Bank, of which not less than \$30 million is for the National Animal Disease Preparedness and Response Program. Additionally, this subsection authorizes appropriations of \$15 million for each of fiscal years 2019-2023 to carry out the NAHLN. All funds provided are to remain available until expended. Finally, section 10417(d) limits the Secretary's use of funds for administrative expenses to not more than 4 percent of amounts made available, limits eligible entities from retaining more than 10 percent of funds received under an agreement to pay administrative costs, prohibits funds from being used for construction of new facilities, and directs proceeds from the sale of vaccine or antigen by the Bank to be credited to an account for the operation of the Bank. (Section 11101)

The Senate amendment establishes a National Animal Disease Preparedness, Response and Recovery Program under subsection 10409B(a) and a National Animal Vaccine and Veterinary Countermeasures Bank under subsection 10409B(b). The National Animal Disease Preparedness, Response and Recovery Program is established to prevent the introduction into or the dissemination within the United States of any pest or disease of animals affecting the economic interests of the livestock and related industries, including the maintenance and expansion of export market potential. The Secretary shall carry out the program through cooperative agreements with eligible entities including a State department of agriculture or universities, among others. Similar to the House Bill, specific activities that are to be carried out through cooperative agreements are described in this subsection, in addition to including emerging veterinary countermeasures among the animal health technologies to be enhanced and developed. The subsection further lays out Program application processes and priorities, use of funds, and reporting requirements similar to those provided in the House Bill.

Section 10409B(b) establishes a National Animal Vaccine and Veterinary Countermeasures Bank to benefit the domestic interests of the U.S. The Vaccine and Veterinary Countermeasures Bank is to maintain a sufficient quantity of animal vaccine, antiviral, therapeutic products, diagnostic products, and veterinary countermeasures to appropriately respond to the most damaging animal diseases affecting human health or the economy, and that will be capable of rapid deployment in the event of an outbreak. The Secretary is required to prioritize the maintenance of sufficient quantities of foot-and-mouth disease vaccine and accompanying diagnostic products. Finally, the Secretary shall consider contracting with one or more entities that are capable of producing foot-and-mouth disease vaccine and that have surge production capacity of the vaccine.

Section 10409(c) limits the Secretary's use of funds for administrative expenses to not more than 4 percent of amounts made available, limits eligible entities from retaining more than 10 percent of funds received under an agreement to pay administrative costs, prohibits funds from being used for construction of new facilities, and directs proceeds from the sale of vaccine or antigen by the Bank to be credited to an account for the operation of the Bank. Section 10409(d) authorizes such sums as necessary to be appropriated to carry out the National Animal Disease Preparedness, Response, and Recovery Program and the National Animal Vaccine and Veterinary Countermeasures Bank. (Section 12103)

The Conference substitute adopts the House provision with amendment. Section 10403 of the Animal Health Protection Act is amended to establish a new definition for "veterinary countermeasures". The Conference substitute further restructures the statute related to the new authorities.

The National Animal Disease Preparedness and Response Program (NADPRP) is established under subsection (b) to address the increasing risk of the introduction and spread within the United States of animal pests and diseases affecting the economic interests of the livestock and related industries of the United States, including the maintenance and expansion of export markets. The NADPRP shall be carried out by the Secretary through cooperative agreements with eligible entities including a State department of agriculture or universities, among others. Specific activities that are to be carried out through cooperative agreements are described in this subsection. Further, the subsection lays out the application processes and priorities, use of funds, and reporting requirements.

The National Animal Vaccine and Veterinary Countermeasures Bank (NAVVCB) is established under subsection (c) to benefit the domestic interests of the United States. Through the NAVVCB the Secretary shall maintain sufficient quantities of veterinary countermeasures to appropriately and rapidly respond to the most damaging animal diseases, with a priority for Foot and Mouth Disease. As part of such prioritization, the Secretary may offer to enter into one or more contracts with one or more entities that are capable of producing foot and mouth disease vaccine and that have surge production capacity of the vaccine.

Subsection (d) provides \$120 million in mandatory funding for the period of fiscal years 2019-2022, with a minimum of \$5 million reserved in each year for the NADPRPP. For fiscal year 2023 and each year thereafter, \$30 million in mandatory funding is provided, with a minimum of \$18 million reserved in each year for the NADPRPP. Additionally, the authorization of appropriations for NAHLN is increased to \$30 million per year for fiscal years 2019-2023, and an authorization for appropriations is established for the NADPRP and the NAVVCB for such sums as are necessary for each of fiscal years 2019-2023. All funds provided are to remain available until expended, and the funds authorized for appropriation under this paragraph are in addition to any funds authorized or otherwise made available under section 10417 of the Animal Health Protection Act. This subsection limits the Secretary's use of funds for administrative expenses to not more than 4 percent of amounts made available, limits eligible entities from retaining more than 10 percent of funds received under an agreement to pay administrative costs, prohibits funds from being used for construction of new facilities, and directs proceeds from the sale of vaccine or antigen from the NAVVCB to be credited to an account for the operation of the NAVVCB.

Subsection (e) describes the authority for the Secretary to enter into cooperative agreements under this section for fiscal year 2019 through 2023, and this limitation shall have no impact on cooperative agreements that are established beyond fiscal year 2023 (Section 12101).

In recent years, animal disease outbreaks have posed significant challenges to the livestock and poultry industries. Various regions of the country and species have been impacted by disease, and responding to those outbreaks is a costly and complex endeavor for farmers and ranchers, veterinarians, and state and federal governments. The Managers recognize the need to enhance our national animal disease preparedness and response capabilities. Further, the Managers recognize that such enhancement is an endeavor that the federal government must conduct in coordination with state and local governments, farmers and ranchers, universities, laboratories and other cooperators.

The Animal Disease Prevention and Management program builds upon the existing National Animal Health Laboratory Network (NAHLN) and establishes the National Animal Disease Preparedness and Response Program (NADPRP) and the National Animal Vaccine and Veterinary Countermeasures Bank (NAVVCB). The existing NAHLN authority is revised to establish the NADPRP and the NAVVCB, which will improve how the U.S. protects against, prepares for, and responds to animal and zoonotic disease outbreaks.

Protecting U.S. agriculture from animal and zoonotic disease threats involves numerous efforts including improving disease testing capabilities, improving states' disease response measures including the development and implementation of continuity of business and secure food supply plans, researching new practices and technologies to protect livestock and poultry, and stockpiling necessary equipment and drugs to respond to animal disease outbreaks. The NADPRP will allow for a coordinated effort to be carried out by the Secretary through cooperative agreements with state governments and state animal health officials, universities, organizations representing the livestock and poultry industries, veterinarians and other eligible entities, to consider all of these factors and needs and establish a coordinated strategy to bolster animal disease protection.

Further, the Managers recognize that animal disease threats evolve and become increasingly complex, especially zoonotic diseases, and the equipment and drugs currently at our disposal may be inadequate in responding to the disease threats of the future. Thus, the Managers instruct the establishment of the NAVVCB, which will allow for the stockpiling of a variety of equipment and animal drugs needed to respond to animal disease outbreaks, with a priority for stockpiling vaccine necessary to respond to an outbreak of Foot and Mouth Disease (FMD). The Managers envision the term 'veterinary countermeasure' to mean any biological product (including an animal vaccine and diagnostic), pharmaceutical product (including an animal therapeutic, antimicrobial, antiviral and antitoxin), non-pharmaceutical product (including a disinfectant or pesticide, response equipment and personal protective equipment) or other product or equipment to prevent, detect, diagnose, contain, control, treat, recover from, or mitigate harm or damage resulting from (including adverse effects impacting public health or animal health, the environment, or the economy), animal pests or diseases.

The Managers encourage the Secretary to consider all options for stockpiling veterinary countermeasures. The funds provided under Section 12101 should be used to establish the optimal complement of products to address the highest risk strains of FMD and other diseases of consequence. In considering stockpiling options, the Managers expect the Secretary to review the procurement process annually to identify potential efficiencies and improvements, particularly any needed changes to allow for maximum contract flexibility and product innovation over time. While the Managers expect funding provided under Section 12101 to significantly enhance the Secretary's ability to stockpile vaccine and related products, the Managers understand that greater investment for such purposes may be desired and warranted in the future. As such, the Managers encourage the Secretary and interested stakeholders to work together to identify alternative funding sources to achieve such investment.

Section 12101 of this act provides \$120 million of Commodity Credit Corporation funds for the period of fiscal years 2019-2022, of which \$20 million is reserved for the NADPRP, and \$100 million is to be allocated among the NAHLN, the NADPRP and the NAVVCB. For fiscal year 2023 and each year thereafter, the Managers provide \$30



million of Commodity Credit Corporation funds, of which \$18 million is reserved for the NADPRP, and \$12 million is to be allocated among the NAHLN, the NADPRP and the NAVVCB. Additionally, the authorization of appropriations for NAHLN is increased to \$30 million per year for fiscal years 2019-2023, and an authorization for appropriations is established for the NADPRP and the NAVVCB for such sums as are necessary for each of fiscal years 2019-2023.

The Managers expect the Secretary to develop a long range plan to carry out Section 12101 to identify priorities related to animal disease preparedness and response, and address those needs by optimizing the capabilities of the NAHLN, the NADPRP, and the NAVVCB. On an annual basis, the Secretary shall review this plan and determine how to best allocate the funds provided under Section 12101 in light of changes to animal disease threat profiles.

*(4) Study on livestock dealer statutory trust*

The Senate amendment directs the Secretary to conduct a study on the feasibility of establishing a Livestock Dealer Statutory Trust. The amendment requires the study to analyze the potential impacts such a trust would have on livestock producers, dealers, markets, financiers, and others in the livestock sector, specifically with regard to credit availability. It also requires the Secretary, no later than 540 days after the date of enactment, to submit to the Agriculture Committees a report describing the findings of the study. (Section 12104)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with amendment. The substitute directs additional considerations under the study including: how the establishment of a livestock dealer statutory trust would affect seller recovery in the event of a livestock dealer payment default; whether authorizing the Secretary to appoint an independent trustee under the livestock dealer statutory trust would improve seller recovery; and how the establishment of a livestock dealer statutory trust would affect the treatment of sellers of livestock as it relates to preferential transfer in bankruptcy. The study shall be completed 1 year after the date of enactment of the Act. (Section 12103)

The Managers recognize the burdens felt by unpaid sellers of livestock affected by livestock dealer default. In response, the Managers instruct the Secretary to conduct a study of the feasibility of establishing a livestock dealer statutory trust, modeled after the existing packer statutory trust.

The study shall review recent livestock dealer defaults and consider whether seller recovery would have been improved in those experiences had a livestock dealer statutory trust been in place. Further, the study shall review how preferential transfers in bankruptcy proceedings are impacting unpaid sellers of livestock. Finally, the study shall review challenges encountered when the Packer trust has been employed, and whether any changes should be considered to improve effectiveness of a potential livestock dealer statutory trust. Such improvements may include allowing the appointment of an independent trustee and encouraging greater communication and data sharing between the Secretary and unpaid sellers of livestock when a dealer statutory trust is employed. The study should also include an assessment of the cost and benefits of establishing a dealer statutory trust and the Department's ability to implement and oversee such a trust. In conducting the study, the Managers expect the Secretary to utilize the expertise of the Packers and Stockyards Division of the Agricultural Marketing Service and to engage



with and solicit input from industry stakeholders that would be subject to a dealer statutory trust.

*(5) Definition of livestock*

The Senate amendment amends the Emergency Livestock Feed Assistance Act of 1988 to specifically include alpacas, llamas, live fish, and crawfish in the definition for livestock, and remove the Secretarial designation requirement regarding other animals that are part of a foundation herd or purchased as part of a normal operation. (Section 12105)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 12104)

*(6) National aquatic animal health plan*

The House bill extends the authorization of appropriations through FY 2023. (Section 11102)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with amendment repealing the authorization for appropriations. (Section 12105)

*(7) Veterinary training*

The House bill amends section 10504 of the 2002 Farm Bill to include, in all regions of the United States, veterinary teams, including those based at colleges of veterinary medicine, capable of providing effective services before, during, and after emergencies. (Section 11103)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 12106)

*(8) Report on FSIS guidance and outreach to small meat processors*

The House bill requires the USDA Inspector General, not later than 1 year after the date of the enactment of this Act, to conduct a study on the effectiveness of existing FSIS guidance materials and other tools used by small and very small establishments, as defined by FSIS regulations, and provide recommendations on measures the Food Safety and Inspection Service (FSIS) should take to improve regulatory clarity and consistency. (Section 11104)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with amendment. The substitute directs the Secretary to enter into contract with a land-grant college or university or a non-land-grant college of agriculture to review the effectiveness of existing FSIS guidance materials used by small and very small establishments operating under Federal inspection and provide recommendations on measures FSIS should take to improve regulatory clarity and consistency. (Section 12107)

The Conference Substitute requires a report considering the effectiveness of USDA outreach to small meat processors operating under federal inspection. The Secretary shall contract with a land-grant college or university or a NLGCA with expertise in food safety and inspection to conduct the report. In conducting outreach to develop the report, the college or university shall consult with the USDA Food Safety Inspection Service Evaluation Working Group. The report shall be provided to the House

Committee on Agriculture and the Senate Committee on Agriculture, Nutrition and Forestry.

*(9) Regional cattle and carcass grading correlation and training centers*

The House bill requires the Secretary to establish up to three regional centers to be known as “Cattle and Carcass Grading Correlation and Training Centers” to: (1) provide education and training for cattle and carcass beef graders of AMS, cattle producers, and other professionals involved in the reporting, delivery, and grading of feeder cattle, live cattle, and carcasses for the purpose of limiting the subjectivity in the application of beef grading standards; (2) provide producers with greater confidence in the price of the producers’ cattle; (3) provide investors with both long and short positions more assurance in the cattle delivery system; and (4) coordinate USDA and state and local resources. The House bill also requires that no funds are to be used for construction of any new facilities. (Section 11105)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 12108)

*(10) Repeal of office of homeland security*

The Senate amendment repeals the Office of Homeland Security created in the 2008 Food, Conservation, and Energy Act. (Section 12201)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 12201)

The Senate amendment moves the authorization of the Office of Homeland Security (the Office) from the Food, Conservation, and Energy Act of 2008 (7 USC 8911) to subtitle A of the Department of Agriculture Reorganization Act of 1994 with updated authorities. The Managers do not intend for the Office to physically close and reopen.

*(11) Office of homeland security*

The Senate amendment establishes an Office of Homeland Security and authorizes an Agriculture and Food Threat Awareness Partnership Program. (Section 12202)

The House bill contains no comparable provision.

The Conference substitute adopts Senate amendment with minor technical modification. (Section 12202)

Managers expect the Executive Director of the Office to serve as the principal advisor to the Secretary on homeland security, including emergency management and agriculture and food defense, and to coordinate activities of the Department related to homeland security and emergency response. The Office is expected to proactively engage USDA’s agencies with critical missions important to homeland security, as well as to engage and assert the USDA roles, responsibilities, and needs within interagency discussions, including those with the Executive Office of the President and the intelligence community agencies.

*(12) Agriculture and food defense*

The Senate amendment: (1) provides several definitions; (2) requires the Secretary to develop, in collaboration with appropriate Federal, State, regional, and local

officials, a comprehensive strategic response plan or plans, as appropriate, for certain diseases or pests of concern; (3) requires the Secretary to provide information to a State or regional authority to assist in developing a comprehensive strategic response plan or plans that shall include several factors such as concepts of operations for each disease of concern and describing decision matrixes, roles, and interactions for each level of government and industry; (4) authorizes the National Plant Diagnostic Network (NPDN), headed by the Director of the National Institute of Food and Agriculture in partnership with the Animal and Plant Health Inspection Service (APHIS) to provide passive surveillance and early identification of plant diseases and pests; and (5) establishes the National Plant Disease Recovery System (NPDRS) to focus on and plan for long term recovery from high-consequence plant transboundary disease and directs the NPDRS to coordinate diseases of concern response planning and develop research plans for recovery through the identification and use of novel resistant genetic material to stabilize and improve crops in the face of potential plant disease pressure. (Section 12203)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with a modification that State plans include a concept of operations, and address, as appropriate, the requirements in the Senate amendment. (Section 12203)

The Senate amendment establishes strategic response planning for plant and animal diseases and pests of particular concern at the national level, as well as support for State, or States, interested in more detailed response planning adapted to the individual needs of that State, or States. The Managers understand a response plan designed to the detail of a concept of operations cannot totally anticipate real events and that there is not a response plan that will remain totally effective for long after an initial disease or pest detection is made during a real event. Every situation or emergency is different. Adjustments to the response will need to be made to accommodate a situation in real time. Nevertheless, developing a response plan to the detail of a concept of operations is an important preparedness step to establish and maintain a state of readiness. A concept of operations should outline the process to be followed in implementing a response and should define the roles of the stakeholders involved throughout the process. It has been demonstrated repeatedly by law enforcement, emergency response, and defense planners that exercised plans, even when the plan is divergent from an actual event, provide value and improve a response participant's ability to react and adapt, increasing the success of containing and managing a real threat or event. Establishing key performance metrics for a response will be paramount for consistent evaluation and to accomplish ongoing improvement of a response plan. Therefore the Managers expect the response planning developed for plant and animal diseases and pests of concern to provide for benchmarking of performance in order to measure and make positive change or to maintain an expected standard.

*(13) Biological agents and toxins list*

The Senate amendment amends the underlying law by adding a new consideration for selecting a pathogenic biological agent to be added to the list of biological agents and toxins. (Section 12204)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with a modification regarding its considerations for inclusion on the list. (Section 12204)

The Managers expect that when a biological agent is examined for inclusion on the Biological Agents and Select Toxins List that consideration is given to the potential impact on performance of research on the causative agent of the disease.

*(14) Authorization of appropriations*

The Senate amendment authorizes appropriations of \$5 million for each of fiscal years 2019 through 2023. (Section 12205)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment. (Section 12205)

The Managers note that several of the functions directed in this subtitle already receive funding through other authorizations of appropriations and other sources, such as funding directed towards OHSEC, APHIS, ARS and NIFA for activities in this subtitle currently carried out by those entities. The Managers support those authorizations of funding and appropriations and expect them to continue. The Managers expect the authorizations in this section will be weighted towards new responsibilities authorized in this subtitle and intend this authorization to supplement, not supplant those other sources.

*(15) Farming opportunities training and outreach*

The House bill amends section 7405 of the Farm Security and Rural Investment Act of 2002 to: (1) prioritize grants for agricultural education for youth for agricultural employment and volunteer opportunities, and for projects that demonstrate experience in providing such education and opportunities for socially disadvantaged youth; (2) authorize the Secretary to waive the matching requirement to effectively reach an underserved area or population; (3) include retiring farmers and non-farming landowners, and adds authority for training and technical assistance, as well as education programs and workshops; and (4) reauthorize \$10 million in mandatory spending each year for FY2019-2023 and reauthorizes appropriations of \$20 million each for FY2019-2023 for the Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers program, also known as the 2501 Program. The House bill amends section 2501(a)(4) of the Food Agriculture, Conservation, and Trade Act of 1990 to include priority for grants, contracts, and other agreements for projects that deliver agricultural education to youth in underserved communities, and reauthorizes \$20 million in mandatory spending and \$30 million in discretionary appropriations for FY2019-2023 for Beginning Farmer and Rancher Development Program. (Sections 7507 & 11201)

The Senate amendment repeals section 7405 of the Farm Security and Rural Investment Act of 2002 and inserts this section into Section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 under the newly established "Farming Opportunities Training and Outreach." The Senate amendment: (1) authorizes the Secretary to encourage and assist socially disadvantaged, veteran, and beginning farmers and ranchers through education and training and equitable participation in agricultural programs; (2) moves the definition of beginning farmer and authorizes the equivalent of existing Beginning Farmer and Rancher Development grant program with a few differences including that the Secretary should act through the Director of the National Institute of Food and Agriculture in carrying out the grant program, providing that the grants can be used to assist beginning farmers and ranchers in acquiring land from retiring farmers and ranchers, and for food safety and recordkeeping; (3) requires a simplified application process for grants under \$50,000; (4) provides \$50 million in

mandatory funding in fiscal year 2018 and each year thereafter and authorizes \$50 million a year in appropriations for FY2018-2023, reserved equally between Beginning Farmer and Rancher Development Grant Program and the authority under subsection (c) (socially disadvantaged and veteran farmers and ranchers); (5) authorizes same 5 percent set-asides as in current law from beginning farmer program; (6) requires that 5 percent of funds allocated to the Socially Disadvantaged Farmer Research and Policy Center go to limited resource and socially disadvantaged farmers and ranchers, and farmworkers; (7) requires that 5 percent of projects awarded through education teams and curriculum development go towards veterans; (8) places a 5 percent cap on administrative expenses; (9) limits indirect costs to 10%; and (10) the Secretary should act through the Director of the National Institute of Food and Agriculture in carrying out the Beginning Farmer and Rancher Development grant program. The Senate amendment requires that grants for socially disadvantaged farmers and ranchers are for a term no longer than 3 years and in an amount no more than \$250,000 for each year of the grant; and requires the Secretary to give priority in awarding grants to nongovernmental and community based organizations with expertise in working with socially disadvantaged, or veteran, farmers and ranchers. (Section 12301)

The conference substitute adopts the Senate provision with an amendment that authorizes the Secretary to waive the matching requirement in the Beginning Farmer and Rancher Development program of the Farming Opportunities Training Outreach program to effectively reach an underserved area or population; requires a simplified application process for all grants under \$50,000; provides \$30 million in mandatory funding in fiscal years 2019 and 2020, \$35 million in fiscal year 2021, \$40 million for fiscal year 2022, and \$50 million for fiscal year 2023 and each year thereafter and authorizes \$50 million a year in appropriations for FY 2019-2023, reserved equally between Beginning Farmer and Rancher Development Grant Program and the authority under subsection (c) (socially disadvantaged and veterans). (Section 12301)

The Managers recognize the increasing demand for programming for beginning and socially disadvantaged farmers, so the Conference agreement includes \$435 million in mandatory funding for the Farming Opportunities Training Outreach program, which combines the Beginning Farmer and Rancher Development Program and the Outreach Program for Socially Disadvantaged Farmers and Veterans. The Managers have provided permanent funding for this program to ensure that the program has baseline funding hereafter. The Managers also intend that the Secretary will continue to administer the Beginning Farmer and Rancher Development Program through the National Institute of Food and Agriculture and that the Outreach Program for Socially Disadvantaged Farmers and Veterans be administered through the Office of Partnerships and Public Engagement.

*(16) Urban agriculture*

The Senate amendment adds a new section 222 in the Department of Agriculture Reorganization Act of 1994 to: (1) establish an Office and Director of Urban Agriculture and Innovative Production to encourage and promote urban, indoor, and other emerging agricultural production practices; (2) establish an Urban Agriculture and Innovative Production Advisory Committee; (3) provide for the assignment of a farm number for rooftop, indoor, and other urban farms; (4) provide authority to award competitive grants to operate community gardens or nonprofit farms, educate a community on food systems, nutrition, environmental impacts, and agricultural production, and help offset start-up



costs for new and beginning farmers; (5) establish pilot projects to increase compost and reduce food waste, and create urban and suburban county committees; and (6) authorize appropriations of \$25 million a year. (Section 12302)

The House bill does not contain a comparable provision.

The Conference substitute adopts the Senate provision with an amendment that adjusts the Director's responsibilities, reduces the committee to 12 members, amends the reporting requirement, removes provision relating to the assignment of farm numbers, removes community organizations and institutions of higher learning from consideration for grants, removes funding priority provision, and limits authorization of appropriations to fiscal years 2019 through 2023. (Section 12302)

The Managers recognize that urban agriculture and innovative production methods like indoor and rooftop farming create new economic opportunities in urban, suburban, and rural communities. The Managers acknowledge that urban agriculture and innovative production methods also increase access to food in low-income communities and improve availability of fresh products throughout the entire year, and recognize that these agricultural opportunities help build a new generation of farmers.

The Managers intend that the Office of Urban Agriculture and Innovative Production be responsible for policy and program development, as well as interagency collaboration, and provide customer service to external stakeholders on issues pertaining to urban agriculture and innovative production. The Managers direct the Secretary to update Farm Service Agency procedures that allow for assignment of farm numbers (as defined in section 718.2 of title 7, Code of Federal Regulations) to include rooftop farms, indoor farms, and other urban farms.

The Managers direct that individual grants awarded through the Office of Urban Agriculture and Innovative Production serve multiple farmers or gardeners for the purposes of community service, education, farm incubation, or making a profit. The Managers encourage the Secretary to use these grants to assist with costs related to agricultural production including but not limited to land acquisition, equipment, utilities, seeds and plants, supplies, basic transportation, and farm cooperative development. The Managers expect the Secretary to establish criteria and guidelines to meet the suggested purposes of the grant program.

The Managers recognize composting is not the only available technology for food waste recovery. It is the Managers' intent that any pilot project under this section does not adversely impact existing commercial relationships of other food waste recovery efforts, including those of commercial renderers who collect and process animal and food waste from commercial and farm sources. It is the Manager's intent that activities occurring through pilot projects selected under this paragraph shall take into consideration the most-preferred food waste recovery activities as described in the Food Recovery Hierarchy of the Environmental Protection Agency (as of the date of enactment or any successor guidance or outreach materials).

*(17) Office of advocacy and outreach*

The House bill amends section 226B of the Department of Agriculture Reorganization Act of 1994 to: (1) change the name of the office to the "Office of Partnerships and Public Engagement", and makes applicable conforming amendments; (2) extend outreach to limited resource producers, veteran farmers and ranchers, and Tribal farmers and ranchers, and promotes outreach specifically to youth; (3) expand the



duties of the office to include veteran farmers and ranchers and Tribal farmers and ranchers; (4) expand the Office's monitoring of goals and objectives to veteran farmers and ranchers and Tribal farmers and ranchers; (5) expand the Office's measuring of outcomes to veteran farmers and ranchers and Tribal farmers and ranchers; and (6) reauthorize appropriations at existing levels through FY2023. (Section 11203)

The Senate amendment reauthorizes appropriations at existing levels through FY2023. (Section 12303)

The Conference substitute adopts the House provision with an amendment that does not separately define Tribal farmers and ranchers aside from the definition of socially disadvantaged farmers and ranchers, which includes tribal farmers and ranchers. (Section 12406)

The Managers acknowledge that it is important for the Office of Partnerships and Public Engagement (OPPE) to improve access to USDA programs for tribal farmers and ranchers and direct this office to conduct these outreach efforts. Tribal farmers and ranchers are already included in the definition of a socially disadvantaged farmer and rancher, so the conferees did not adopt the addition of tribal farmers and ranchers from the House bill.

The Managers recognize that the Office of Tribal Relations (OTR) is an important function of USDA and should be within the Office of the Secretary. The Director of OTR serves as USDA's primary point of contact for consultation and coordination with Tribal Governments and should continue to directly advise the Secretary on tribal issues and policies. The Managers agree that OTR should coordinate with OPPE to provide outreach and assistance to tribes and tribal farmers and ranchers to improve access to USDA programs and resources.

*(18) Tribal advisory committee*

The House bill amends section 309 of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 to transfer the Office of Tribal Relations into the newly established Office of Partnerships and Public Engagement. (Section 11204)

The Senate amendment amends section 309 of the Department of Agriculture Reorganization Act of 1994 to establish the USDA Tribal Advisory Committee to advise the Secretary on tribal agricultural topics and annually report recommendations to the Secretary. (Section 12304)

The Conference substitute adopts the Senate provision with an amendment altering the manner in which the membership of the committee is established. (Section 12303)

*(19) Youth outreach and beginning farmer coordination*

The House bill amends the Department of Agriculture Reorganization Act of 1994 by inserting after section 220 a new section 221 to: (1) establish the position of Agricultural Youth Coordinator to promote the role of youth-serving organizations and school-based agricultural education; (2) direct the Coordinator to identify short-term and long-term interests of the Department; (3) direct the Coordinator to assist "young farmers"; (4) direct "particular emphasis on beginning farmer and rancher programs"; (5) outline contracts and cooperative agreements the Coordinator may engage in with land-grant universities, research centers of the Agricultural Research Service, and nonprofit

organizations; and (6) with regard to contracts and cooperative agreements (Section 221(c)(1)), include “the conduct of regional research on the profitability of small farms.” (Section 11206)

The Senate amendment amends the Farm Security and Rural Investment Act of 2002 by inserting after section 7404 a new 7405 to: (1) establish an Agricultural Youth Coordinator to promote and coordinate outreach through the use of contracts and cooperative agreements; (2) authorize the Agricultural Youth Coordinator to use contracts for youth education; (3) direct assistance to “youth involved in food and agriculture organizations”; and (4) list areas of emphasis including: beginning farmer and rancher programs, agriculture education, nutrition education science, technology, engineering, and mathematics education, and other food and agriculture programs for youth. (Section 12306)

The Conference substitute adopts the House provision with an amendment that exchanges the term "young farmers" for "youth." (Section 12305)

The Managers recognize the importance of involving youth in farming and ranching through programs like 4-H, FFA, and Farm to School. The Managers intend for the Agricultural Youth Organization Coordinator to promote youth-serving organizations and school-based agricultural education, serve as a resource for assisting youth organizations in agriculture in applying for participation in agricultural programs, and advocate on behalf of youth organizations in agriculture in interactions with employees of the Department.

*(20) State beginning farmer and rancher coordination*

The House bill amends section 226 of the Department of Agriculture Reorganization Act of 1994 to direct the Secretary, through the FSA, to designate one employee, who receives sufficient training, from among employees of FSA, NRCS, RMA, RBCS or RUS, in each state as the State Beginning Farmer and Rancher Coordinator responsible for developing a State plan to coordinate outreach and technical assistance in county and area Department offices. (Section 11202)

The Senate amendment amends the Farm Security and Rural Investment Act of 2002 by inserting after section 7404 a new 7405 to: establish a National Beginning Farmer and Rancher Coordinator to provide outreach and technical assistance to help beginning farmers and ranchers participate in Department programs. The Senate provision for directing the Secretary is the same as contained in the House bill, but Senate language does not require the Secretary to work through the FSA. (Section 12306)

The Conference substitute adopts the Senate provision with an amendment that adopts the definition of "beginning farmer or rancher" as defined in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990. (Section 12304)

The Managers recognize that America’s farmers and ranchers are aging while, at the same time, aspiring and beginning farmers face challenges in establishing successful operations. The Managers intend for the National Beginning Farmer and Rancher Coordinator and the associated State Coordinators to assist new and beginning farmers and ranchers with technical assistance and make them aware of USDA programs.

*(21) Availability of department of agriculture programs for veteran farmers and ranchers*

The Senate amendment: (1) amends the definition of veteran as any individual who has obtained veteran status within the previous 10 years, as defined in section 2501

of the Food, Agriculture, Conservation, and Trade Act of 1990; (2) extends benefits to veterans including Farm Service Agency down payment loans, reduced interest rates on guaranteed loans, increased coverage under Emergency Assistance for Livestock, Honey Bees, and Farm-raised Fish, reduced premiums and fees for the Noninsured Crop Disaster Assistance Program, and increased educational focus from the Food Safety Outreach Program and the Federal Crop Insurance Education Program; and (3) amends the definition of veteran, for the purpose of Risk Management Agency programs, as any individual who has gained veteran status within the previous 5 years and extends to veterans eligibility for increased premium subsidy, lower administrative fees, and assistance in establishing baseline yields. (Section 12307)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 12306)

The Managers encourage the Department to expand support to new veteran farmers and have therefore made veterans eligible for additional farm program priorities and discounts. The Conference Substitute also changes the definition of a veteran farmer to include all new veterans who are farmers.

*(22) Office of congressional relations and intergovernmental affairs*

The Senate amendment amends section 218 of the Department of Agriculture Reorganization Act of 1994 to rename the Assistant Secretary of Congressional Relations as the Assistant Secretary of Congressional Relations and Intergovernmental Affairs and allows for the succession of the current Senate confirmed Assistant Secretary into the newly titled role. (Section 12401)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 12401)

*(23) Military veterans agricultural liaison*

The Senate amendment amends section 219 of the Department of Agriculture Reorganization Act of 1994 to improve coordination between USDA and other federal agencies to assist in providing information to veterans about agricultural vocational and rehabilitation programs and directs the Military Veterans Liaison to report collected information annually and publish it on a dedicated website. (Section 12402)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 12402)

The Managers intend for the website authorized under this section to improve coordination between USDA and other federal agencies to assist in providing information to veterans about agricultural programs. The Managers recognize that improving communication channels between USDA officials and veterans will ensure that USDA is better able to assist veterans who are looking to return home and start a new career in agriculture.

*(24) Civil rights analysis*

The Senate amendment amends the Department of Agriculture Reorganization Act of 1994 by inserting after section 222 a new section 223 that requires the Secretary to conduct a civil rights analysis of certain actions of USDA, allows the Assistant Secretary of Civil Rights to grant, on a case-by-case basis, an expedited civil rights analysis or a waiver of the civil rights analysis, and requires the Comptroller General of the United

States to conduct a study of various actions and efforts of USDA concerning civil rights. (Section 12403)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment that requires the Department to conduct civil rights impact analyses in accordance with the Department's current policy, Departmental Regulation 4300-004, issued by USDA on October 16, 2016. (Section 12403)

The Managers recognize the history of discriminatory actions at the Department and want to ensure that the Department is in compliance with civil rights requirements. The conference report thus adopts two provisions, a civil rights impact analysis, and a Comptroller General report.

First, the Managers recognize the importance of evaluating the potential discriminatory effects of certain actions, policies, or decisions under consideration by the Department of Agriculture and therefore require the Secretary to conduct civil rights impact analyses in accordance with Departmental Regulation 4300-004, as in effect on October 17, 2016, the Department's current policy.

The Managers understand that any proposed action or policy could have unintended adverse or disproportionate impacts on employees, applicants, contractors, or beneficiaries of the Department based on their membership in a group that is protected from discrimination under Federal law. The Managers therefore intend for the Secretary to use the civil rights impact analyses as an opportunity to proactively identify these impacts and, if applicable, implement changes to the proposed activity to ensure the Department's actions and policies do not have a negative civil rights impact.

Second, the conference report also requires the Comptroller General to conduct a study describing the effectiveness of the Department in processing and resolving civil rights complaints, minority participation rates in farm programs, the implications of the realignment of civil rights functions of the Department, and the Department's efforts to identify and reduce the incidence of civil rights violations.

*(25) Farm service agency*

The Senate amendment provides conforming technical corrections related to administrative reorganization actions, renaming the Consolidated Farm Service Agency as the Farm Service Agency. (Section 12404)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 12404)

*(26) Under Secretary of agriculture for farm production and conservation*

The House bill changes references to the former Under Secretary of Agriculture for Farm and Foreign Agricultural Services in various laws to either the Under Secretary of Agriculture for Production and Conservation or the Under Secretary for Trade and Foreign Agricultural Affairs, and amends references to the Under Secretary for Rural Development in the Agricultural Act of 1961, the Agricultural Marketing Act of 1946, the Native American Business Development, Trade Promotion, and Tourism Act of 2000, and the Rehabilitation Act of 1973 by inserting "or other official designated by the Secretary". (Section 11601)

The Senate amendment provides conforming technical corrections related to previously carried out administrative reorganization actions including the creation of the

FPAC mission area, and the creation of the Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs. (Section 12405)

The Conference substitute adopts the Senate provision. (Section 12405)

*(27) Under Secretary of agriculture for rural development*

The Senate amendment directs the Secretary to establish the position of Under Secretary of Agriculture for Rural Development as a permanent, mandatory position. (Section 12406)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 12407)

Section 12407 requires the Department to reestablish the position of Under Secretary for Rural Development, a position formerly established in the Department. The Managers intend for this position to be a permanent, mandatory position and not subject to any administrative reorganizations.

The Managers recognize that Rural Development's more than \$222 billion dollar financial portfolio leverages significant investments throughout rural America, serving as an important source of capital for underserved communities, and provides essential technical assistance and supports families, farmers, ranchers, and businesses across America.

*(28) Administrator of the rural utilities service*

The Senate amendment allows the Administrator of the Rural Utilities Service to be paid a salary consistent with other administrators in the Department's Rural Development mission area. (Section 12407)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment that properly aligns the provision with Title 5, and removes unnecessary conforming amendments. (Section 12408)

*(29) Rural health liaison*

The Senate amendment establishes a Rural Health Liaison to coordinate the Department's role in rural health with other Federal agencies and improve communication to and coordination with stakeholders. (Section 12408)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment changing the "Interagency Task Force on Agriculture and Rural Prosperity" to the "Council on Rural Community Innovation and Economic Development." (Section 12409)

*(30) Natural resources conservation services*

The Senate amendment requires the Secretary to provide a 60-day notice to the House and Senate Agriculture Committees before closing an office of the Natural Resources Conservation Service (NRCS) or relocating personnel employed within NRCS or the Rural Development mission area, and provides conforming technical amendments to applicable statutes related to previously carried out administrative reorganization actions including the creation of the FPAC mission area. (Section 12410)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment

reducing the "60 day" notice to "30 days", and terminating the authority for this provision on September 30, 2023. (Section 12410)

*(31) Office of the chief scientist*

The Senate amendment amends section 251 of the Department of Agriculture Reorganization Act of 1994 to update the name of the Research, Education, and Extension Office to the "Office of the Chief Scientist," change the term of service for Division Chiefs, and provide conforming technical corrections to the Department of Agriculture Reorganization Act of 1994 related to the creation of the Under Secretary for Trade and Foreign Agricultural Affairs created in the 2014 Farm Bill. (Section 12411)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 12411)

*(32) Trade and foreign agricultural affairs*

The Senate amendment provides conforming technical corrections to the Department of Agriculture Reorganization Act of 1994 related to the creation of the Under Secretary for Trade and Foreign Agricultural Affairs in the 2014 Farm Bill. (Section 12412)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 12413)

*(33) Repeals*

The Senate amendment repeals outdated authorities pursuant to the Department of Agriculture Reorganization Act of 1994, repeals Section 3208 of the Agricultural Act of 2014, and corrects prior statutory drafting errors amending Department of Agriculture Reorganization Act of 1994. (Section 12413)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment absorbing modified rule of construction language from the Effect of Subtitle provision. (Section 12414)

*(34) Technical corrections*

The Senate amendment corrects prior statutory drafting errors amending the Department of Agriculture Reorganization Act of 1994. (Section 12414)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 12415)

*(35) Effect of subtitle*

The Senate amendment allows the technical amendments in Sections 12408 and 12414 to be effective retroactively. (Section 12415)

The House bill has no comparable provision.

The Conference substitute does not adopt the Senate provision and instead incorporates amended language in the Section 12414.

*(36) Termination of authority*

The House bill amends the Department of Agriculture Reorganization Act of 1994 to provide that the Secretary has the authority to carry out amendments made to that



Act by Section 772 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act of 2018 and the Federal Agriculture Improvement Act of 2018. (Section 11602)

The Senate provision amends the Department of Agriculture Reorganization Act of 1994 to allow the Secretary to carry out the amendments made to that Act by the Federal Agriculture Improvement Act of 2018. (Section 12416)

The Conference substitute adopts the House provision as amended by the Senate amendment. (Section 12416)

*(37) ACER access and development program*

The Senate amendment reauthorizes ACER Access and Development Program to make competitive grants to promote the domestic maple syrup industry and extends the authority for appropriations through FY 2023. (Section 12501)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 12501)

*(38) Pet and Women Safety*

The Senate amendment: (1) amends various sections of the U.S. criminal code to enact provisions regarding crimes targeting the pets of abuse victims, including Section 2261A of title 18 USC (crimes pertaining to interstate stalking) and Section 2262 of title 18 USC (crimes pertaining to interstate violation of protection orders); (2) amends section 2264 of title 18 USC (pertaining to court-ordered restitution for offenses) to include veterinary services relating to physical care for the victim's pet; (3) amends Section 2266 of title 18 USC (definitions) to establish a definition for pets; (4) directs the Secretary of Agriculture, in coordination with DOJ, HUD, and HHS, to award grants to eligible entities to carry out programs (emergency and transitional shelter and housing assistance) to provide assistance, which shall be provided for a period of not more than 24 months, with the option to extend for an additional 6 months, to victims of domestic violence and their pets, which includes construction or operating expenses of newly developed or existing emergency and transitional shelter and housing for domestic violence victims with pets, temporary boarding expenses of pets, and expenses for pet-related services such as transportation and veterinary care; (5) requires participating entities, not later than 1 year after receiving grants under this subsection and each year thereafter, to submit to the Secretary a report that contains details of assistance provided and program participants, and requires an annual compilation report be submitted to Congress; and (6) authorizes appropriations for \$3 million a year for FY2019-2023 for a grant program to provide emergency and transitional housing assistance for victims of domestic violence and their pets. (Section 12503)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment to rename the provision "Protecting Animals with Shelter" and to authorize the Secretary to enter into a memorandum of understanding with the head of other relevant departments to facilitate the grant program to assist victims of domestic violence and their pets, and clarify the definition of pet to include certain companion animals, while also providing protections for other animals such as horses, service animals, and emotional support animals. (Section 12502)

The Managers recognize that victims of domestic violence often may be reluctant to leave an abusive relationship out of fear for the safety and welfare of their companion animals. Animal friendly housing can be difficult to secure, and the costs entailed with animal housing can factor into victims' decisions to leave abusive relationships. Section 12502 authorizes appropriations for \$3 million for each of fiscal years 2019 through 2023 to establish a grant program to provide emergency and transitional housing assistance for domestic violence victims with pets. The Secretary of Agriculture may enter into a memorandum of understanding with another Department or Agency to administer the grants under this section. The conference substitute clarifies the definition of pet to include certain companion animals, while also providing protections for other animals such as horses, service animals, and emotional support animals. Further, this section expands federal domestic violence and stalking protections to include crimes targeting pets, horses, service animals and emotional support animals.

*(39) Data on conservation practices*

The Senate amendment: (1) creates a secure data collection system through which the Department, pursuant to established privacy and confidentiality protocols; (2) allows for analysis and review of data from various agencies regarding the impact of covered conservation practices on crop yields, soil health, and farm and ranch profitability; (3) establishes protocols and procedures to allow for the collection of data from existing Departmental databases and for the voluntary submission of data from producers; (4) establishes a data warehouse to contain the data collected under this section that can be accessed by an academic institution or researcher; and (5) requires the Risk Management Agency to work with other agencies to conduct research and analyze how yield variability and risk are impacted by certain conservation practices. (Section 12504)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment that reconfigures the provision to function as a report generated by the Secretary after the identification of available Departmental data on conservation practices and the effect of such practices on farm and ranch profitability including effects relating to crop yields, soil health. The report generated by the Secretary will summarize the data and the steps the Secretary will have to take to provide access to the data to university researchers, including technical, privacy or administrative considerations, the safeguards linked to providing access to data, appropriate procedures to maximize research benefits, and recommendations relating to Federal authorizations needed to allow access to data. (Section 12618)

In order to increase the knowledge of how conservation practices or suites of conservation practices may affect crop yields, soil health, and other risk-related factors, the Managers intend for USDA to identify a compilation of the available data sets within the Department, including the potential use of databases created in this act under Section 1240H (d) of the Environmental Quality Incentives' Conservation Innovation Grants (CIG) and the Conservation Effects Assessment Project (CEAP) or the database under the Acreage Crop Reporting Streamlining Initiative (ACRSI).

During the internal review of the data sets held by USDA, the Managers encourage the Secretary to also include any other ongoing initiatives of a similar nature inside and outside of the Federal government and consider any steps needed to expand or improve the collection of existing data to benefit the usefulness for research and analysis.

The Managers also encourage the Secretary to keep in mind the potential to integrate elements of activities encouraged under this section and other data-related initiatives, such as ACRSI, in order to avoid duplication. Nothing in this section is intended to replace or interfere with existing efforts and the Managers intend for such efforts as the conservation modeling under CEAP or the collaboration between the Natural Resources Conservation Service and the Risk Management Agency on existing or future collaborative research on soil types, cover crops or other management practices to continue. The Managers expect any review or analysis of any personally identifiable information or data set in this section to adhere and uphold to the maximum extent Department and agency privacy and confidentiality protocols that are in place. The Managers intend for limited access to apply to a narrow group of other researchers, such as those in academia. However, the Managers do not intend to provide controlled access under this authority to others directly or indirectly outside of the Federal government, such as non-governmental organizations.

*(40) Marketing orders*

The House bill adds “pecans” to the list of commodities. (Section 9202)

The Senate amendment adds “pecans” and “cherries” to the list of commodities. (Section 12505)

The Conference substitute adopts the Senate provision. (Section 12503)

The Managers intend that the term “cherries” includes all processed tart or sour cherries, including frozen and dried cherries (with or without added sweetener), cherry juice (concentrate or single strength), and canned cherries.

*(41) Study on food waste*

The Senate amendment directs the Secretary to conduct a study to evaluate and determine methods of measuring food waste, factors creating food waste, particularly of fresh food products, and whether USDA programs disrupt existing food waste recovery and disposal by commercial, marketing, or business relationships and instructs the Secretary to issue an initial and an annual report. (Section 12506)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision into an amended section wherein the newly created Food Loss and Waste Reduction Liaison will conduct the study on food waste and issue an initial report and additional report relating to data collected on food waste, and efforts to reduce and prevent such waste. (Section 12504)

*(42) Establishment of food loss and waste reduction liaison*

The House bill authorizes USDA to establish, within the Office of the Secretary, a “Food Loss and Waste Reduction Liaison” to coordinate federal programs to measure and reduce the incidence of food loss and waste, provide information and resources, and raise awareness of the liability protections for donated foods. (Section 11607)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment directing the Secretary to conduct a food waste study, in consultation with the Food Loss and Waste Reduction Liaison, who will issue an initial report and additional report relating to data collected on food waste and efforts to reduce and prevent such waste. (Section 12504)

The Managers intend for the results of the Study on Food Waste to inform the development of best practices for food loss and waste reduction and food recovery efforts carried out under this section. The Managers encourage the Food Loss and Waste Reduction Liaison to continue to monitor and review the volume of food wasted and the results of the food waste reduction and loss prevention activities carried out by the Department subsequent to the submission of the report under subsection (e)(2).

*(43) Report on business centers*

The Senate amendment requires GAO to issue a report evaluating each USDA business center. Further, the amendment requires that the report examine the effectiveness of the Department's business centers, impacts on budgets and personnel, and recommendations to improve the operation and function of those business centers. (Section 12507)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 12505)

*(44) Information technology modernization*

The Senate amendment requires GAO to issue reports evaluating the Department's information technology modernization efforts, and outlines the initial report, the updates, and the comprehensive reports to be issued. (Section 12508)

The House bill contains no comparable provision.

The Conference substitute does not adopt the Senate provision.

*(45) Report on personnel*

The Senate amendment requires the Department to biannually submit to the House and Senate Agriculture Committees a report describing the number of staff years and employees employed for each agency of the Department. (Section 12509)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 12506)

*(46) Report on absent landlords*

The Senate amendment requires the Secretary to conduct a study on absent landlords within one year of enactment. In conducting the study, the Secretary shall consider certain impacts of absent landlords on land value, soil health, and economic viability and provide recommendations on how to mitigate these impacts. (Section 12510)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 12507)

*(47) Restriction on use of certain poisons for predator control*

The Senate amendment restricts the use of sodium cyanide (M-44 devices) to kill predatory animals only in accordance with Wildlife Services (WS) Directive Number 2.415 of the Animal and Plant Health Inspection Service, dated February 27, 2018, and the implementation guidelines attached to that Directive. (Section 12511)

The House bill contains no comparable provision.

The Conference substitute does not adopt the Senate provision.

*(48) Century farms program*

The House bill establishes a program under which the Secretary recognizes any farm that a state program or similar agricultural organization recognizes as a century farm, or a farm as defined under section 7 CFR 4284.902, and farms that have been in continuous operation by the same family for at least 100 years. (Section 11610)

The Senate amendment establishes a National Century Farms Program to recognize state programs and farms that have been in continuous operation by the same family for at least 100 years. (Section 12512)

The Conference substitute adopts the House provision. (Section 12508)

*(49) Report on importation of live dogs*

The House bill directs the Secretary, in conjunction with the Secretaries of Commerce, Health and Human Services and Homeland Security, to provide a report to Congress on the volume of live dogs imported to the U.S. (Section 11612)

The Senate amendment contains a comparable provision but excludes the inclusion of the importation of personal pets. (Section 12513)

The Conference substitute adopts the House provision with an amendment strengthening the coordination efforts between the Departments of Commerce, Health and Human Services, and Homeland Security to enable the Secretary to collect, compile, and disseminate this data to Congress in order to better understand the public health implications of importing dogs into the United States. (Section 12509)

The Managers recognize that little is known about the volume of live dogs imported into the United States, whether as personal pets or animals seeking adoption or purchase by American households. Animal and zoonotic diseases pose serious risks to the U.S., and greater understanding of the pathways these diseases could be entering the U.S., such as via imported live dogs, is warranted.

The Managers instruct the Secretary to develop a report on the importation of live dogs into the United States to be submitted to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition and Forestry no later than 1 year after the date of enactment of this Act. The Secretary of Commerce, the Secretary of Health and Human Services and the Secretary of Homeland Security shall provide to the Secretary of Agriculture all available data and information relating to the importation of live dogs into the U.S to complete the report.

*(50) Promise zones*

The Senate amendment codifies the Tribal Promise Zones program and provides for the continuation of currently existing Tribal Promise Zones to leverage public-private investment. (Section 12515)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment striking the section addressing competitive enhancement in federal awards to tribal promise zones. (Section 12510)

*(51) Precision agriculture connectivity*

The House bill highlights the importance of precision agriculture and the need so agriculture cost can be lowered by 2050, and establishes a Task Force for Reviewing the Connectivity and Technology Needs of Precision Agriculture to identify gaps in rural

technology and make policy recommendations to help address these issues. (Sections 6801 & 6802)

The Senate amendment: (1) highlights the importance of precision agriculture and the need so agriculture cost can be lowered by 2050; (2) establishes a Task Force for Reviewing the Connectivity and Technology Needs of Precision Agriculture in the U.S. to identify gaps in rural technology and make policy recommendations to help address these issues; (3) ensures that no provider of broadband internet access service is required to duplicate the reporting of data; (4) holds that the Task Force and the "Commission" (FCC) shall not interpret the use of the term "future programs of the Commission" to include universal service programs under the Communications Act of 1934 (47 U.S.C. 254); and (5) requires an agricultural producer representing tribal agriculture to be on the Task Force. (Section 12516)

The Conference substitute adopts the Senate provision with an amendment clarifying the definition of the term "broadband Internet access service". (Section 12511)

As the USDA develops financing, policy and other aspects related to rural broadband development, the Managers request USDA take into account Sec. 2110 of the FAA Extension, Safety, and Security Act of 2016. This will ensure communication towers providing broadband services in rural areas that meet the specifications described in Section 2110 are properly marked and entered into a FAA database to protect the safety of aerial applicators, aerial firefighters, public health applicators, medevac units, law enforcement and other low-flying aircraft.

Section 12511 requires the Federal Communications Commission (FCC), in collaboration with the Department, to form a task force to evaluate the best ways to meet the broadband needs of precision agriculture in the United States. The task force is focused on identifying and measuring gaps in broadband coverage, and developing policy recommendations to promote rapid, expanded deployment of broadband in agricultural areas.

The Managers believe many rural businesses do not have access to broadband services. Both the FCC and the U.S. Department of Agriculture, through the Rural Utilities Service (RUS), provide Federal support to bring broadband to rural areas. In rural areas, broadband has the potential to enable precision agriculture for farmers and ranchers by integrating emerging technologies and global position systems (GPS) to assist in the most efficient use of their land.

The Managers direct the Commission and the Department to review House Report 115-837 for additional details about the history, purpose, and implementation of this section.

*(52) Improved soil moisture and precipitation monitoring*

The Senate amendment allows the Secretary to consider findings from additional drought monitoring stations and to establish new stations, to improve the accuracy of the U.S. Drought Monitor utilized in determining grazing disaster assistance for livestock producers, and authorizes \$5 million in appropriations for FY2019-2013. (Section 12517)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment simplifying the Secretary's efforts from those imposed by the Senate provision, and instructs the Secretary to coordinate with the Director of the National Drought Mitigation Center and the Administrator of the National Oceanic and Atmospheric Administration to



enhance the collection of data to improve the accuracy of the United States Drought Monitor, review the type of data utilized by the Drought Monitor and the geographic coverage of data sites, and make improvements. (Section 12512)

*(53) Dairy business innovation initiatives*

The Senate amendment requires the Agricultural Marketing Service to establish at least three regionally located dairy product and business innovation initiatives to provide grants and nonmonetary assistance to dairy businesses, provides direction for the selection of initiatives, entities eligible to host initiatives, activities of the initiatives, distribution of funds and reporting requirements, and authorizes \$20 million in appropriations for each fiscal year. (Section 12519)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment that streamlines the establishment and selection of the initiatives, amends language related to eligible and ineligible entities, streamlines the eligible types of assistance that are allowed, edits the priorities to be considered for the awarding of grants, and simplifies the reporting requirements. (Section 12513)

*(54) Report on funding for the national institute of food and agriculture and other extension programs.*

The Senate amendment instructs that no later than 2 years after the 2017 Census of Agriculture is released under the Census of Agriculture Act of 1997, the Secretary submit to Congress a report describing the funding necessary to adequately address NIFA's needs, activities, and ability to provide adequate services for the growth and development of the economies of rural communities based on the changing demographic in the rural and farming communities in the various States, paying particular attention to carrying out activities relating to small and diverse farms and ranches, veteran farmers and ranchers, value-added agriculture, direct-to-consumer sales, and specialty crops. (Section 12520)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 12514)

*(55) Prohibition on slaughter of dogs and cats for human consumption*

The House bill: (1) adds a new section 30 to the Animal Welfare Act to prohibit a person from knowingly slaughtering a dog or cat for human consumption, or knowingly shipping, transporting, moving, delivering, receiving, possessing, purchasing, selling, or donating a dog or cat to be slaughtered for human consumption, or dog or cat parts for human consumption; (2) sets forth that such prohibition shall apply only with respect to conduct in or affecting interstate or foreign commerce, or within the special maritime and territorial jurisdiction of the United States; (3) establishes that any person who violates this section shall be subject to imprisonment for not more than 1 year, or a fine of not more than \$2,500, or both; and (4) provides that this section does not limit any State or local law or regulations from protecting the welfare of animals, or prevent a State or local governing body from adopting and enforcing more stringent laws or regulations. (Section 11613)

The Senate amendment: (1) sets forth that no person may knowingly slaughter a dog or cat for human consumption, or knowingly ship, transport, move, deliver, receive,

possess, purchase, sell, or donate a dog or cat to be slaughtered for human consumption, or a dog or cat part for human consumption; (2) provides that such prohibition shall apply only with respect to conduct in interstate commerce or foreign commerce; or within the special maritime and territorial jurisdiction of the United States; (3) provides that the prohibition shall not apply to an Indian (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304)) carrying out any activity described in subsection (a) for the purpose of a religious ceremony; (4) establishes that any person who violates the prohibition shall be subject to a fine in an amount not greater than \$5,000 for each violation; and (5) provides that this section does not limit any State or local law or regulation protecting the welfare of animals; or prevent a State or unit of local government from adopting and enforcing more stringent laws or regulations. (Section 12521)

The Conference substitute adopts the Senate provision with an amendment relating to interstate commerce. (Section 12515)

*(56) Report on honey and maple syrup*

The House bill requires the Secretary to submit a report, not later than 60 days after enactment, to the House and Senate Agriculture Committees examining the effect of final FDA regulation, “Food Labeling: Revision of the Nutrition and Supplement Facts Labels” (81 Federal Register 33742), has on consumer perception regarding the “added sugar” statement required to be included on panels by the final rule with respect to packaged food in which no sugar is added during processing, including pure honey and maple syrup. (Section 9203)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House bill with an amendment that incorporates language permitting the food labeling requirements under section 403(q) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 343(q)) to not require that the nutrition facts label of any single ingredient sugar, honey, agave, and syrup, including maple syrup, that is packaged and offered for sale as a single ingredient food bear the declaration “Includes Xg Added Sugars.” (Section 12516)

The Managers take note of numerous surveys highlighting high incidence of consumer confusion resulting from a mandatory declaration specifying "added sugar" on nutrition facts panel labels on single ingredient products such as pure honey and pure maple syrup. While the Managers are willing to consider future proposals by the Food and Drug Administration (FDA) to specify percent daily value in relation to the sugar content in these single ingredient products, the Managers' intent is to stop FDA from requiring any form of a mandatory declaration of "added sugar" content on single ingredient products. The Managers further suggest that future efforts by the FDA to regulate added sugar aspects of the nutrition facts label should be informed by research documenting consumer interpretation of proposed label statements.

*(57) Expedited exportation of certain species*

The Senate amendment instructs the Director of the Fish and Wildlife Service (FWS) to issue a rule proposing to amend FWS requirements pertaining to export permissions for certain species. The rule is to consider establishing expedited procedures for exporting sea urchins and sea cucumbers intended for human and animal food. (Section 12601)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment amending Fish and Wildlife Service (FWS) regulations relating to export permission requirements for green sea urchins, only, to facilitate their exportation, and requires data on the conservation and management of green sea urchins be provided to relevant government entities. (Section 12617)

*(58) Baiting of migratory game birds*

The Senate amendment: (1) provides definitions for normal agricultural operation, post-disaster flooding, and certain agricultural practices related to rice production; (2) requires the Secretary of the Interior, in consultation with the Secretary of Agriculture, to revise agency regulations clarifying that certain practices for rice producers, when carried out as part of a normal agricultural operation, do not constitute baiting; and (3) directs the Secretary to issue reports related to the provisions of the section. (Section 12602)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with a minor amendment to the reporting requirements of the Secretaries of Agriculture and the Interior. (Section 12601)

*(59) Pima agriculture cotton trust fund*

The House bill repeals the program and creates “Textile Trust Fund” in section 11304. (Section 11301)

The Senate amendment reauthorizes section 12314 of the Agricultural Act of 2014, clarifies how funds shall be distributed to yarn spinners, amends the requirements of the affidavit, makes technical changes and updates, and provides funding for the trust fund for each calendar year through 2023. (Section 12603)

The Conference substitute adopts the Senate provision. (Section 12602)

*(60) Agriculture wool apparel manufacturers trust fund*

The House bill repeals the program and creates “Textile Trust Fund” in Section 11304. (Section 11302)

The Senate amendment reauthorizes section 12315 of the Agricultural Act of 2014, makes technical changes and updates, and provides funding for the trust fund for each calendar year through 2023. (Section 12604)

The Conference substitute adopts the Senate provision. (Section 12603)

*(61) Wool research and promotion*

The House bill repeals the program and creates “Textile Trust Fund” in Section 11304. (Section 11303)

The Senate amendment reauthorizes section 12316 of the Agricultural Act of 2014 and extends the \$2.25 million in mandatory funding for each of calendar years 2019 through 2023. (Section 12605)

The Conference substitute adopts the Senate provision. (Section 12604)

*(62) Textile trust fund*

The House bill: (1) establishes the Textile Trust Fund for the purposes of reducing injury for certain domestic manufacturers resulting from tariffs on certain cotton and

wool products that are higher than tariffs on certain cotton and wool apparel articles made from those products; (2) provides for the distribution of funds from the Textile Trust Fund for manufacturers of pima cotton and wool products, and for wool research and promotion; (3) provides for the timing of distributions of funds from the Textile Trust Fund; (4) authorizes the Textile Trust Fund through calendar year 2023 and provides funding; and (5) directs the Secretary, for each calendar year 2019 through 2023, to transfer from CCC to the Textile Trust Fund \$25.5 million to be allocated as such, with funds to remain available until expended; \$8 million to eligible manufacturers of pima cotton; \$15 million to eligible wool manufacturers; and \$2.25 million in grants for wool research and promotion. (Section 11304)

The Senate amendment contains no comparable provision to the creation of the Textile Trust Fund, but contains related provisions in sections 12603, 12604, and 12605.

The Conference substitute does not adopt the House provision.

*(63) Emergency citrus disease research and extension program (research and development trust fund)*

The House bill reauthorizes the Emergency Citrus Disease Research and Extension Program through 2023, extends the authorization of the appropriation of \$25 million in funding per year through 2023, and extends the \$25 million of mandatory funding for the Citrus Disease Research and Extension Program for each fiscal year through 2023. (Section 7305)

The Senate amendment: (1) establishes a citrus trust fund and directs the Secretary to make payments annually for the purpose of citrus research and extension activities, technical assistance, and development activities to combat certain pests and diseases as well as to support dissemination and commercialization of certain relevant discoveries; (2) prioritizes payments for the same research priorities established by the Citrus Disease Subcommittee of the Specialty Crop Committee of the National Agricultural Research, Extension, Education, and Economics Advisory Board per Section 1408A(g)(4) of the National Agricultural Research, Extension and Teaching Policy Act of 1977; (3) requires the Secretary, when determining how to distribute payments from the trust funds, to seek input from the Federal and State agencies and others involved in citrus disease response, and consider other public and private citrus-related research and extension; (4) requires the Secretary to ensure that funds provided from the trust fund not supplant funds made available to carry out other citrus disease activities carried out by USDA; and (5) requires the Secretary to transfer to the Citrus Trust Fund \$25 million from the Commodity Credit Corporation for each of fiscal years 2019 through 2023. (Section 12606)

The Conference substitute adopts the Senate provision with an amendment striking certain language from the Senate provision, simplifying the program, and directing the Secretary to carry out the Emergency Citrus Disease Research Extension Program in section 412(j) of the Agricultural Research, Extension and Education Reform Act of 1998. (Section 12605)

*(64) Extension of merchandise processing fees*

The Senate amendment extends section 503 of the United States-Korea Free Trade Agreement Implementation Act (Public Law 112-41; 19 U.S.C. 3805 note) for 13 weeks to May 26, 2027. (Section 12607)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 12606)

*(65) Conforming changes to controlled substances act*

The Senate amendment amends the existing exemptions to include hemp as defined in section 297A of the Agricultural Marketing Act of 1946 and tetrahydrocannabinols in hemp (as defined under section 297A of the Agricultural Marketing Act of 1946). (Section 12608)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 12619)

*(66) National flood insurance program reauthorization*

The Senate amendment extends financing authority of the program through January 31, 2019 and extends the program through January 31, 2019. (Section 12609)

The House bill contains no comparable provision.

The Conference substitute does not adopt the Senate provision.

*(67) Eligibility for operators on heirs property land to obtain a farm number*

The Senate amendment defines “eligible documentation” to include: (1) in states that have adopted the Uniform Partition of Heirs Property Act, a court order verifying the land meets the definition of heirs property or certification from the local recorder of deeds that the recorded landowner is deceased and not less than one heir has initiated a procedure to retitle the land; (2) a tenancy-in-common agreement that sets out ownership rights and responsibilities among all of the land owners; (3) tax returns for the preceding five years; (4) self-certification that the farm operator has control of the land; and (5) any other documentation identified by the Secretary as an alternative form of eligible documentation.

The Senate provision also requires the Secretary to provide for the assignment of a farm number to any farm operator who provides an form of eligible documentation, for purposes of demonstrating that the farm operator has control of the land for purpose of defining that land as a farm, and requires the Secretary to identify alternative forms of eligible documentation that a farm operator may provide in seeking the assignment of a farm number. (Section 12623)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 12615)

The Managers recognize that farm operators on land that has been passed down through multiple generations without formal probate proceedings may not have clear title to the land. The Managers intend for this section to ensure operators of such land, commonly referred to as heirs’ property, who provide certain documentation to the Secretary are eligible to receive farm numbers for the purposes of accessing programs offered by the Farm Service Agency, Natural Resources Conservation Service, and Risk Management Agency. In determining States that have enacted or adopted the Uniform Partition of Heirs Property Act, the Managers intend that USDA consider “State” to mean any of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands of the United States, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, Republic of Palau, Federated States of Micronesia, and the Republic of the Marshall Islands.

*(68) Farmland ownership data collection*

The Senate amendment instructs the Secretary to collect, and not less frequently than once every 5 years report, data and analysis on farmland ownership, tenure, transition, and entry of beginning farmers and ranchers and socially disadvantaged farmers and ranchers. (Section 12625)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment merging the Senate provision with Section 2506 of Title II, and House Section 7604. (Section 12607)

*(69) National Oilheat Research Alliance*

The Senate amendment repeals section 713 of the National Oilheat Research Alliance Act of 2000 (42 U.S.C. 6201 note; Public Law 106-469), allowing it to become permanent law, and inserts new section 708 addressing limitations on the obligations of funds. (Section 12627)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment extending the covered period to 10 years. (Section 12531)

*(70) Reauthorization of rural emergency medical services training and equipment assistance program*

The Senate amendment inserts a short title for the section, adds “or to residents of rural areas”, reauthorizes the program through FY2019-2023, and strikes subsections (b) through (f) and inserts: (b) provides that eligible applicants shall be emergency medical services agencies; (c) allows funds to be used to train medical emergency personnel, conduct training courses, recruit personnel, and purchase emergency medical equipment; (d) caps grants at \$200,000 per award; (f) requires 25 percent match by the grantee; and (e) defines emergency medical services as resources used to deliver medical services outside of a medical facility; includes services delivered by other provider certified by State. (Section 12628)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment reducing the 25 percent match to 10 percent. (Section 12608)

*(71) Definition of retail facilities*

The House bill amends section 6 of OSHA Act of 1970 to codify an existing exemption for agricultural retailers from the U.S. Occupational Safety and Health Administration’s (OSHA) Process Safety Management (PSM) of Hazardous Chemicals standard. (Section 9131)

The Senate amendment contains no comparable provision.

The Conference substitute does not adopt the House provision.

*(72) Commission on farm transitions – Needs for 2050*

The House bill establishes a commission and sets an organizational framework, to be known as the Commission on Farm Transitions – Needs for 2050 to conduct a study and issue a report on a variety of issues impacting the transition of agricultural operations



from established farmers and ranchers to the next generation of farmers and ranchers. (Section 11205)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment clarifying the applicable exemptions to the Federal Advisory Committee Act, and terminating the commission on September 30, 2023. (Section 12609)

*(73) Restoring certain exceptions to United States Grain Standard Act*

The House bill allows certain grain handling facilities to restore a prior exception with an official agency designated under the rule entitled “Exceptions to Geographic Areas for Official Agencies Under the USGSA” published by the Department of Agriculture in the Federal Register on April 18, 2003 (68 Fed. Reg. 19137) if certain criteria are met. (Section 11401)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment restoring the nonuse of service exception to the geographic boundary provisions of the United States Grain Standards Act and allows a grain handling facility that lost a nonuse of service exception after October 1, 2015, to notify the Federal Grain Inspection Service to restore the prior exception. (Section 12610)

The Managers remain concerned with the Department's implementation of the U.S. Grain Standards Act provisions that provided for a “written agreement” exception program, which replaced the former “non-use of service” exception program. In USDA’s notice of the final rule to implement “Reauthorization of the United States Grain Standards Act”, 81 Fed. Reg. 49855 (July 29, 2016) USDA indicated its intention to “continue to honor” the 95 current agreements for agencies to operate outside of their assigned geographic territories. However, Federal Grain Inspection Service (FGIS) Directive 9290.18, which was issued to provide instructions on how to implement the new requirements, contradicted the intention expressed in the notice of final rule and created uncertainty for grain handling facilities. Specifically, FGIS permitted unilateral termination of these agreements by an incumbent designated agency- a practice that Congress did not intend, did not agree with, and subsequently prevented through appropriations language.

Unilateral termination created uncertainty for grain handling facilities -- the primary customers of the officially designated inspection agencies. The conference substitute reinstates the “non-use of service exception and establishes a new policy that precludes unilateral termination of these exception agreements. The Managers believe that it is important for grain handling facilities and the excepted official agency to have input into this process and that FGIS should not permit one party to terminate an exception agreement.

The Managers do not intend for the restoration of exceptions to require a formal rulemaking process. The Managers intend to provide a near term option for grain handling facilities to go back to a previously approved by the Department non-use of service exception agreement, provided that the former excepted official agency agrees. Grain handling facilities would have 90 days from enactment to notify the Secretary of its preferred date to restore the exception and within 90 days of this notification, the Secretary must restore this exception. The Managers do not intend for the Secretary to

wait 90 days to restore an exception. The Managers urge FGIS and the Secretary to work with the grain handling facilities and excepted agencies to expedite this process. The Managers intend that if an official agency loses its designation, any exceptions that agency has are terminated by the Secretary. If that agency regains its designation the Secretary may restore the exceptions it had. The Managers expect the Department to work closely with and give considerable weight to the input provided by the customer that previously utilized these exceptions when taking into account whether or not to restore the exception.

The Managers expect the Department to issue an updated directive noting the restored exception category and the process to reinstate exceptions that had been terminated. The Managers expect FGIS to carefully review requests to reinstate an exception when one or more parties to the previous exception have changed ownership and to reinstate the exception as appropriate.

*(74) Conference report requirement threshold*

The House bill amends the section to raise the threshold for conferences excluded from the report from those costing less than \$10,000, to those costing less than \$75,000. (Section 11603)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment reducing the threshold to \$50,000. (Section 12611)

*(75) National agriculture imagery program*

The House bill: (1) instructs the Secretary, working through FSA, to institute a national agriculture imagery program to annually acquire aerial imagery during agricultural growing seasons from the continental United States; (2) requires that the aerial imagery acquired under this section shall consist of high resolution processed digital imagery, be made available in a format that can be provided to Federal, State, and private sector entities, be technologically compatible with geospatial information technology, and be consistent with the standards established by the Federal Geographic Data Committee; and (3) authorizes appropriations of \$23 million for fiscal year 2019 and each fiscal year thereafter. (Section 11604)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 12612)

*(76) Report on inclusion of natural stone products in Commodity Promotion, Research, and Information Act of 1996*

The House bill instructs that no later than 180 days after enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives only, a report examining the effect of the establishment of a Natural Stone Research and Promotion Board pursuant to the Commodity Promotion, Research, and Information Act of 1996 would have on the natural stone industry, on economic development in rural areas, and on benefits to consumers. (Section 11605)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 12613)

*(77) Establishment of food access liaison*

The House bill amends subtitle A of the Department of Agriculture Reorganization Act of 1994 by adding a new section establishing a Food Access Liaison to coordinate USDA programs, to reduce barriers to food access, and to monitor and evaluate the progress of such programs. (Section 11608)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 12614)

*(78) Cotton classification services*

The House bill amends section 3a to provide that employees hired to provide cotton classification services may work up to 240 calendar days in a service year and may be rehired non-competitively every year if they meet performance and conduct expectations. (Section 11609)

The Senate amendment contains no comparable provision.

The Conference substitute does not adopt the House provision.

*(79) Report on agricultural innovation*

The House bill instructs that no later than 180 days after enactment of this Act, the Secretary, in consultation with the Administrator of the EPA and the Commissioner of the FDA, shall prepare and submit a report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate. The report shall focus on plans for improving the Federal government's policies and procedures relating to gene editing and other precision plant breeding methods. (Section 11611)

The Senate amendment contains no comparable provision.

The Conference substitute does not adopt the House provision.

*(80) Consideration of the totality of conservation measures*

The House bill amends section 7(b)(3) of the Endangered Species Act to add considerations when determining whether a Federal agency action is likely to jeopardize the continued existence of any endangered species or threatened species or result in the destruction or adverse modification of the critical habitat of a species. (Section 11614)

The Senate amendment contains no comparable provision.

The Conference substitute does not adopt the House provision.

*(81) Depredation permits for black vultures*

The House bill authorizes the Secretary of the Interior in conjunction with the Director of the United States Fish and Wildlife Service, to issue depredation permits to livestock farmers, authorizing, with limitations, takings of black vultures otherwise prohibited by Federal law to prevent such vultures from taking livestock during the calving season, provided that the permit holder report the taking of the vultures to appropriate enforcement agencies. (Section 11615)

The Senate amendment contains no comparable provision.

The conference substitute does not adopt the House provision.

*(82) Extending prohibition on animal fighting to the territories*

The House bill eliminates certain exceptions in order to extend the provision to states and territories where it may not have been applicable. (Section 11616)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment to change the "effective date" to one year after enactment of this Act. (Section 12616)

*(83) Waters of the United States rule*

The House bill repeals the final rule issued by the EPA and the Secretary of the Army entitled "Clean Water Rule: Definition of 'Waters of the United States'", published on June 29, 2015, and any regulation or policy revised under, or otherwise affected as a result of, that rule shall be applied as if that rule had not been issued. (Section 11617)

The Senate amendment contains no comparable provision.

The Conference substitute does not adopt the House provision.

*(84) Prohibition against interference by state and local governments with production or manufacture of items in other states*

The House bill instructs that the government of a State or locality therein shall not impose a standard or condition on the production or manufacture of any agricultural product, sold or offered for sale in interstate commerce, if the production or manufacture occurs in another State and the standard or condition is in addition to Federal standards and the laws of the State and locality in which production or manufacture occurs.

The House bill also states that, pursuant to Section 207 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1626) the term "agricultural product" includes agricultural, horticultural, viticultural, and dairy products, livestock and poultry, bees, forest products, fish and shellfish, and any products thereof, including processed and manufactured products, and any and all products raised or produced on farms and any processed or manufactured product thereof. (Section 11701)

The Senate amendment contains no comparable provision.

The Conference substitute does not adopt the House provision.

*(85) Federal cause of action to challenge state regulation of interstate commerce*

The House bill provides a private right of action, in the appropriate court, for individual persons, and a variety of entities, affected by a regulation of a State or unit of local government which regulates any aspect of an agricultural product, including any aspect of the method of production, which is sold in interstate commerce, or any means or instrumentality through which such an agriculture product is sold in interstate commerce, to invalidate such a regulation and seek damages for economic loss resulting from such regulation.

The House bill also provides preliminary injunctive relief to preclude enforcement of the regulation at issue pursuant to certain standards. The applicable statute of limitations is 10 years. (Section 11702)

The Senate amendment contains no comparable provision.

The Conference substitute does not adopt the House provision.

**Additional Report Language**

*Section 12520 Authorization of protection operations for the Secretary of Agriculture and others*

The Managers intend for the Department to exercise the protection authorities granted in section 12520 when warranted, including to individuals serving in Acting

Secretary or Deputy Secretary roles, consistent with threat assessments and applicable guidelines or requirements.

Section (a)(2) grants the authority to provide protection that is incidental to the protection provided to the Secretary or Deputy Secretary. Such authority should be used only when: (1) extenuating circumstances occur that pose an articulable threat to such individual; and (2) the security of the Secretary or Deputy Secretary would not be jeopardized in protecting other qualified individuals. Such extenuating circumstances may include, for example, a car accident, where individuals traveling with the Secretary have suffered physical harm and the Secretary's protection would not be jeopardized by protecting other qualified individuals. The Managers do not intend for the number of security personnel accompanying the Secretary or Deputy Secretary to increase because of any potential need to protect any additional persons in extenuating circumstances.

The Managers are wary of increasing security costs. The Department has represented to the Managers that it does not anticipate spending additional resources over its current budget and that in exercising this authority, it does not intend to automatically provide protection to additional Department officials. Although this authority is being provided, the Managers do not expect for the Department to alter the current level of protection or the number of officials protected, unless warranted.

The Managers further intend for the term “continuous protection” to mean protection at all times when there is an articulable threat of physical harm, as assessed through threat assessments, including at a personal residence and during periods of personal, non-official activities.








The Managers intend for the report required by subsection (e) to describe the individuals to whom protection was provided under this authority, the extent and frequency of such protections, and measures undertaken to determine the necessity of protection. The Department shall provide the Committee on Agriculture of the United States House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the United States Senate with timely briefings, upon request, regarding the use of this authority.

COMPLIANCE WITH RULES OF THE HOUSE OF REPRESENTATIVES AND SENATE  
REGARDING EARMARKS AND CONGRESSIONAL DIRECTED SPENDING ITEMS

Pursuant to clause 9 of rule XXI of the Rules of the House of Representatives and Rule XLIV of the Standing Rules of the Senate, neither this conference report nor the accompanying joint statement of managers contains any congressional earmarks, congressionally directed spending items, limited tax benefits, or limited tariff benefits, as defined in such rules.



### H. R. 2

<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
<p>From the Committee on Agriculture, for consideration of the House bill and the Senate amendment, and modifications committed to conference:</p>	
<p> Mr. CONAWAY</p>	
<p> Mr. THOMPSON of Pennsylvania</p>	
<p> Mr. GOODLATTE</p>	
<p> Mr. LUCAS</p>	
<p> Mr. ROGERS of Alabama</p>	
<p> Mr. AUSTIN SCOTT of Georgia</p>	
<p> Mr. CRAWFORD</p>	

### H. R. 2—Continued

*Managers on the part of the  
HOUSE*

*Managers on the part of the  
SENATE*

Mrs. HARTZLER

Mr. RODNEY DAVIS of Illinois

Mr. YOHO

Mr. ROUZER

Mr. MARSHALL

Mr. ARRINGTON

Mr. PETERSON

Mr. DAVID SCOTT of Georgia

### H. R. 2—Continued

*Managers on the part of the  
HOUSE*

*Managers on the part of the  
SENATE*

Mr. COSTA

Ms. FUDGE

Mr. MCGOVERN

Mr. VELA

Ms. KUSTER of New Hampshire

Mr. O'HALLERAN

### H. R. 2—Continued

<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
<p>From the Committee on Education and the Workforce, for consideration of secs. 4204, 4205, and 9131 of the House bill, and modifications committed to conference:</p>	
<p><i>Virginia Fox</i> Ms. FOX</p>	
<p><i>Richard Allen</i> Mr. ALLEN</p>	
<p><i>Ann Adams</i> Ms. ADAMS</p>	

### H. R. 2—Continued



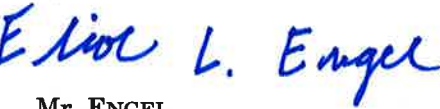
<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
<p>From the Committee on Energy and Commerce, for consideration of subtitles A and B of title VI, secs. 6202, 6203, 6401, 6406, 6407, 6409, 6603, 7301, 7605, 8106, 8507, 9119, 9121, and 11101 of the House bill, and secs. 6116, 6117, 6202, 6206-09, 6301, 6303, 7412, 9102, 9104, 9106, 9111-13, 12408, 12627, and 12628 of the Senate amendment, and modifications committed to conference:</p>	
<p><del>REDACTED</del></p>	
<p><i>Ben Cramer</i> Mr. CRAMER</p>	
<p><del>REDACTED</del></p>	

### H. R. 2—Continued

<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
From the Committee on Financial Services, for consideration of sec. 12609 of the Senate amendment, and modifications committed to conference:	
[REDACTED]	
[REDACTED]	
[REDACTED]	



### H. R. 2—Continued

<i>Managers on the part of the</i> <b>HOUSE</b>	<i>Managers on the part of the</i> <b>SENATE</b>
From the Committee on Foreign Affairs, for consideration of title III of the House bill, and modifications committed to conference:	
 Mr. ROYCE	
 Mr. CHABOT	
 Mr. ENGEL	

### H. R. 2—Continued

*Managers on the part of the  
HOUSE*

*Managers on the part of the  
SENATE*

From the Committee on Natural Resources, for consideration of secs. 2802, 6408, 8104, 8107, 8109, subtitles B and C of title VIII, 8402, 8502, 8503, 8506, 8507, 8509, 8510, 9111, 11614, and 11615 of the House bill, and sec. 2425, subtitle D of title VIII, secs. 8601, 8611, 8621-28, 8631, 8632, 12515, 12601, and 12602 of the Senate amendment, and modifications committed to conference:



Mr. BISHOP of Utah






Mr. WESTERMAN






Mr. GRIJALVA




### H. R. 2—Continued

<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
From the Committee on Oversight and Government Reform, for consideration of secs. 1601, 4022, 4026, 8502, and 11609 of the House bill, and secs. 3113, 7128, 8623, 8630, 8632, 12301, and 12407 of the Senate amendment, and modifications committed to conference:	
	
 Mr. COMER	
	


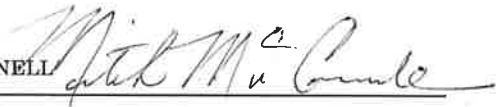
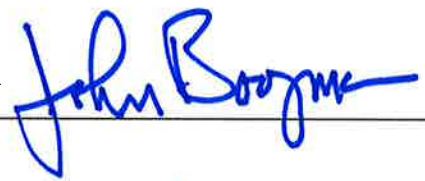

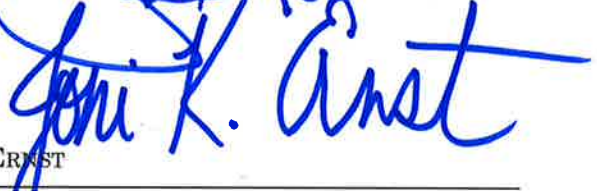



### H. R. 2—Continued

<i>Managers on the part of the</i> <b>HOUSE</b>	<i>Managers on the part of the</i> <b>SENATE</b>
<p>From the Committee on Science, Space, and Technology, for consideration of sec. 7509 of the House bill, and sec. 7409 of the Senate amendment, and modifications committed to conference:</p>	
 <p>Mr. ABRAHAM</p>	
 <p>Mr. DUNN</p>	
 <p>Ms. EDDIE BERNICE JOHNSON of Texas</p>	

### H. R. 2—Continued

<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
<p>From the Committee on Transportation and Infrastructure, for consideration of secs. 2404, 6223, 6224, 6503, 9117, and 9118 of the House bill, and secs. 2415, 2416, 6124, 6304, and 7412 of the Senate amendment, and modifications committed to conference:</p>	
 <p>Mr. DENHAM</p>	
 <p>Mr. GIBBS</p>	
 <p>Mrs. BUSTOS</p>	

### H. R. 2—Continued



<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
	Mr. ROBERTS 
	Mr. MCCONNELL 
	Mr. BOOZMAN 
	Mr. HOEVEN 
	Mrs. ERNST 
	Ms. STABENOW 
	Mr. LEAHY 
	Mr. BROWN 



### H. R. 2—Continued

*Managers on the part of the  
HOUSE*

*Managers on the part of the  
SENATE*

  
Ms. HEITKAMP 



United States  
Department of  
Agriculture

Office of the  
General  
Counsel

Washington,  
D.C.  
20250-1400

  
STEPHEN ALEXANDER VADEN  
GENERAL COUNSEL

May 28, 2019

MEMORANDUM

SUBJECT: EXECUTIVE SUMMARY OF NEW HEMP AUTHORITIES

On December 20, 2018, President Trump signed into law the Agriculture Improvement Act of 2018, Pub. L. 115-334 (2018 Farm Bill). The 2018 Farm Bill legalized hemp production for all purposes within the parameters laid out in the statute.

The Office of the General Counsel (OGC) has issued the attached legal opinion to address questions regarding several of the hemp-related provisions of the 2018 Farm Bill, including: a phase-out of the industrial hemp pilot authority in the Agricultural Act of 2014 (2014 Farm Bill) (**Section 7605**); an amendment to the Agricultural Marketing Act of 1946 to allow States and Indian tribes to regulate hemp production or follow a Department of Agriculture (USDA) plan regulating hemp production (**Section 10113**); a provision ensuring the free flow of hemp in interstate commerce (**Section 10114**); and the removal of hemp from the Controlled Substances Act (**Section 12619**).

The key conclusions of the OGC legal opinion are the following:

1. As of the enactment of the 2018 Farm Bill on December 20, 2018, hemp has been removed from schedule I of the Controlled Substances Act and is no longer a controlled substance.
2. After USDA publishes regulations implementing the new hemp production provisions of the 2018 Farm Bill contained in the Agricultural Marketing Act of 1946, States and Indian tribes may not prohibit the interstate transportation or shipment of hemp lawfully produced under a State or Tribal plan or under a license issued under the USDA plan.
3. States and Indian tribes also may not prohibit the interstate transportation or shipment of hemp lawfully produced under the 2014 Farm Bill.
4. A person with a State or Federal felony conviction relating to a controlled substance is subject to a 10-year ineligibility restriction on producing hemp under the Agricultural Marketing Act of 1946. An exception applies to a person who was lawfully growing hemp under the 2014 Farm Bill **before December 20, 2018**, and whose conviction also occurred before that date.

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With the enactment of the 2018 Farm Bill, hemp may be grown only (1) with a valid USDA-issued license, (2) under a USDA-approved State or Tribal plan, or (3) under the 2014 Farm Bill industrial hemp pilot authority. That pilot authority will expire one year after USDA establishes a plan for issuing USDA licenses under the provisions of the 2018 Farm Bill.

It is important for the public to recognize that the 2018 Farm Bill preserves the authority of States and Indian tribes to enact and enforce laws regulating the **production** of hemp that are more stringent than Federal law. Thus, while a State or an Indian tribe cannot block the shipment of hemp through that State or Tribal territory, it may continue to enforce State or Tribal laws prohibiting the growing of hemp in that State or Tribal territory.

It is also important to emphasize that the 2018 Farm Bill does not affect or modify the authority of the Secretary of Health and Human Services or Commissioner of Food and Drugs to regulate hemp under applicable U.S. Food and Drug Administration (FDA) laws.

USDA expects to issue regulations implementing the new hemp production authorities in 2019.

Attachment





United States  
Department of  
Agriculture

Office of the  
General  
Counsel

Washington,  
D.C.  
20250-1400

  
STEPHEN ALEXANDER VADEN  
GENERAL COUNSEL

May 28, 2019

MEMORANDUM FOR SONNY PERDUE  
SECRETARY OF AGRICULTURE

SUBJECT: LEGAL OPINION ON CERTAIN PROVISIONS OF THE  
AGRICULTURE IMPROVEMENT ACT OF 2018 RELATING TO  
HEMP

This memorandum provides my legal opinion on certain provisions of the Agriculture Improvement Act of 2018 ("2018 Farm Bill"), Pub. L. No. 115-334, relating to hemp.

As explained below, this memorandum concludes the following:

1. As of the enactment of the 2018 Farm Bill on December 20, 2018, hemp has been removed from schedule I of the Controlled Substances Act ("CSA") and is no longer a controlled substance. Hemp is defined under the 2018 Farm Bill to include any cannabis plant, or derivative thereof, that contains not more than 0.3 percent delta-9 tetrahydrocannabinol ("THC") on a dry-weight basis.
2. After the Department of Agriculture ("USDA" or "Department") publishes regulations implementing the hemp production provisions of the 2018 Farm Bill contained in subtitle G of the Agricultural Marketing Act of 1946 ("AMA"), States and Indian tribes may not prohibit the interstate transportation or shipment of hemp lawfully produced under a State or Tribal plan or under a license issued under the Departmental plan.
3. States and Indian tribes may not prohibit the interstate transportation or shipment of hemp lawfully produced under the Agricultural Act of 2014 ("2014 Farm Bill").
4. A person with a State or Federal felony conviction relating to a controlled substance is subject to a 10-year ineligibility restriction on producing hemp under subtitle G of the AMA. An exception applies to a person who was lawfully growing hemp under the 2014 Farm Bill before December 20, 2018, and whose conviction also occurred before that date.

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This memorandum also emphasizes two important aspects of the 2018 Farm Bill provisions relating to hemp. First, the 2018 Farm Bill preserves the authority of States and Indian tribes to enact and enforce laws regulating the **production** (but not the interstate transportation or shipment) of hemp that are more stringent than Federal law. For example, a State law prohibiting the growth or cultivation of hemp may continue to be enforced by that State. Second, the 2018 Farm Bill does not affect or modify the authority of the Secretary of Health and Human Services or Commissioner of Food and Drugs under applicable U.S. Food and Drug Administration laws.

## I. BACKGROUND

The 2018 Farm Bill, Pub. L. No. 115-334, enacted on December 20, 2018, includes several provisions relating to hemp.<sup>1</sup> This legal opinion focuses on sections 7605, 10113, 10114, and 12619, summarized below.

- **Section 7605** amends section 7606 of the 2014 Farm Bill (7 U.S.C. § 5940), which authorizes institutions of higher education or State departments of agriculture to grow or cultivate industrial hemp under certain conditions — namely, if the hemp is grown or cultivated for research purposes in a State that allows hemp production. Among other things, section 7605 amends 2014 Farm Bill § 7606 to require the Secretary of Agriculture (“Secretary”) to conduct a study of these hemp research programs and submit a report to Congress. Section 7605 also repeals 2014 Farm Bill § 7606, effective one year after the date on which the Secretary establishes a plan under section 297C of the AMA.<sup>2</sup>
- **Section 10113** amends the AMA by adding a new subtitle G (sections 297A through 297E) (7 U.S.C. §§ 1639o – 1639s) relating to hemp production. Under this new authority, a State or Indian tribe that wishes to have primary regulatory authority over the production of hemp in that State or territory of that Indian tribe may submit, for the approval of the Secretary, a plan concerning the monitoring and regulation of such hemp production. *See* AMA § 297B. For States or Indian tribes that do not have approved plans, the Secretary is directed to establish a Departmental plan concerning the monitoring and regulation of hemp production in those areas. *See* AMA § 297C. The

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<sup>1</sup> The 2014 Farm Bill defines “**industrial hemp**” as “the plant *Cannabis sativa* L. and any part of such plant, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis.” 7 U.S.C. § 5940(a)(2). The 2018 Farm Bill added a new, slightly different definition of “**hemp**” in section 297A of the AMA, defined as “the plant *Cannabis sativa* L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis.” 7 U.S.C. § 1639o(1). Both definitions require a THC concentration of not more than 0.3 percent for a *Cannabis sativa* L. plant to be considered hemp versus marijuana. For purposes of this legal opinion, I use the terms “**hemp**” and “**industrial hemp**” interchangeably.

<sup>2</sup> The Conference Report accompanying the 2018 Farm Bill explains the effect of the repeal as follows: “The provision also repeals the hemp research pilot programs one year after the Secretary publishes a final regulation allowing for full-scale commercial production of hemp as provided in section 297C of the [AMA].” H.R. REP. NO. 115-1072, at 699 (2018).



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Secretary is also required to promulgate regulations and guidelines implementing subtitle G. *See* AMA § 297D. The new authority also provides definitions (*see* AMA § 297A) and an authorization of appropriations (*see* AMA § 297E).

- **Section 10114** (7 U.S.C. § 1639o note) is a freestanding provision stating that nothing in title X of the 2018 Farm Bill prohibits the interstate commerce of hemp or hemp products. Section 10114 also provides that States and Indian tribes shall not prohibit the interstate transportation or shipment of hemp or hemp products produced in accordance with subtitle G through the State or territory of the Indian tribe.
- **Section 12619** amends the CSA to exclude hemp from the CSA definition of marijuana. Section 12619 also amends the CSA to exclude THC in hemp from Schedule I.<sup>3</sup>

In passing the 2018 Farm Bill, Congress legalized hemp production for all purposes within the parameters of the statute but reserved to the States and Indian tribes authority to enact and enforce more stringent laws regulating production of hemp.

## II. ANALYSIS

### A. As of the Enactment of the 2018 Farm Bill on December 20, 2018, Hemp Has Been Removed from Schedule I of the Controlled Substances Act and Is No Longer a Controlled Substance.

CSA § 102(6) defines “controlled substance” to mean “a drug or other substance, or immediate precursor, included in schedule I, II, III, IV, or V of part B of this title. . . .” 21 U.S.C. § 802(6). Marijuana<sup>4</sup> is a controlled substance listed in schedule I of the CSA. *See* CSA § 202(c)(10), schedule I (21 U.S.C. § 812(c), Schedule I (c)(10)); 21 C.F.R. § 1308.11(d)(23).

The 2018 Farm Bill amended the CSA in two ways.

- First, 2018 Farm Bill § 12619(a) amended the CSA definition of marijuana to exclude hemp. Before enactment of the 2018 Farm Bill, CSA § 102(16) (21 U.S.C. § 802(16)) defined marijuana as follows:

(16) The term ‘marihuana’ means all parts of the plant *Cannabis sativa* L., whether growing or not; the seeds thereof; the resin extracted from any part of such plant; and every compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds or resin. Such term does not include the mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom), fiber, oil, or cake,

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<sup>3</sup> For additional background on hemp production prior to enactment of the 2018 Farm Bill, *see* Congressional Research Service, “Hemp as an Agricultural Commodity” (RL32725) (updated July 9, 2018), *available at* <https://crsreports.congress.gov/product/pdf/RL/RL32725>.

<sup>4</sup> This opinion uses the common spelling of “marijuana” except when quoting the CSA, which uses the “marihuana” spelling.



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or the sterilized seed of such plant which is incapable of germination.

As amended by the 2018 Farm Bill, the CSA definition of marijuana now reads:

(A) Subject to subparagraph (B), the term ‘marihuana’ means all parts of the plant *Cannabis sativa* L., whether growing or not; the seeds thereof; the resin extracted from any part of such plant; and every compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds or resin.

(B) The term ‘marihuana’ does not include—

(i) hemp, as defined in section 297A of the Agricultural Marketing Act of 1946; or

(ii) the mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of such plant which is incapable of germination.

- Second, 2018 Farm Bill § 12619(b) amended the CSA to exclude THC in hemp from the term “tetrahydrocannabinols” in schedule I. As amended by the 2018 Farm Bill, CSA § 202(c)(17), schedule I (21 U.S.C. § 812(c)(17), schedule I) now reads:

Tetrahydrocannabinols, except for tetrahydrocannabinols in hemp (as defined under section 297A of the Agricultural Marketing Act of 1946).

By amending the definition of marijuana to exclude hemp as defined in AMA § 297A, Congress has removed hemp from schedule I and removed it entirely from the CSA. In other words, hemp is no longer a controlled substance. Also, by amending schedule I to exclude THC in hemp, Congress has likewise removed THC in hemp from the CSA.

It is important to note that this decontrolling of hemp (and THC in hemp) is self-executing. Although the CSA implementing regulations must be updated to reflect the 2018 Farm Bill amendments to the CSA, neither the publication of those updated regulations nor any other action is necessary to execute this removal.

I address here two principal objections to the view that the decontrolling of hemp is self-executing. The first objection is that, because regulations have not been published under CSA § 201, the legislative changes to schedule I regarding hemp are not effective. This objection is not valid.

The typical process for amending the CSA schedules is through rulemaking. Under CSA § 201(a), the Attorney General “may by rule” add to, remove from, or transfer between the schedules, any drugs or other substances upon the making of certain findings. 21 U.S.C. § 811(a). However, the schedules also can be amended directly by Congress through changes to the statute; and Congress has done so several times.<sup>5</sup>

<sup>5</sup> See, e.g., Pub. L. 112-144, § 1152 (amending schedule I to add cannabimimetic agents); Pub. L. 101-647, § 1902(a) (amending schedule III to add anabolic steroids).

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The second objection is that, because the legislative changes to schedule I regarding hemp are not yet reflected in 21 C.F.R. § 1308.11, the removal is not yet effective. This objection also is not valid.

It is axiomatic that statutes trump regulations. *See Nat'l Family Planning & Reprod. Health Ass'n, Inc. v. Gonzales*, 468 F.3d 826, 829 (D.C. Cir. 2006) (“[A] valid statute always prevails over a conflicting regulation[.]”). Congress established the five CSA schedules in statute, providing that “[s]uch schedules shall initially consist of the substances listed in this section.” 21 U.S.C. § 812(a).<sup>6</sup> Congress further provided that “[t]he schedules established by this section shall be updated and republished on a semiannual basis during the two-year period beginning one year after October 27, 1970, and shall be updated and republished on an annual basis thereafter.” 21 U.S.C. § 812(a). The requirement to update and republish the schedules, however, is not a prerequisite to the effectiveness of the schedules “established by [the statute].” *Id.* In other words, where Congress itself amends the schedules to add or remove a controlled substance, the addition or removal of that controlled substance is effective immediately on enactment (absent some other effective date in the legislation); its addition to or removal from a schedule is not dependent on rulemaking.<sup>7</sup>

To illustrate, Congress amended the CSA in 2012 to add “cannabimimetic agents” to schedule I. That amendment was enacted as part of the Synthetic Drug Abuse Prevention Act of 2012 (Pub. L. 112-144, title XI, subtitle D), which was signed into law on July 9, 2012. Almost six months later, the Drug Enforcement Administration (“DEA”) published a final rule establishing the drug codes for the cannabimimetic agents added to schedule I by Congress and making other conforming changes to schedule I as codified in 21 C.F.R. § 1308.11. *See* 78 Fed. Reg. 664 (Jan. 4, 2013). In explaining why notice-and-comment rulemaking was unnecessary, DEA noted that “the placement of these 26 substances in Schedule I **has already been in effect since July 9, 2012.**” *Id.* at 665 (emphasis added). In other words, the legislative changes to schedule I were effective immediately upon enactment. The reflection of those changes in 21 C.F.R. § 1308.11, although required by 21 U.S.C. § 812(a), was not necessary for the execution of those changes to schedule I.

Accordingly, enactment of the 2018 Farm Bill accomplished the removal of hemp (and THC in hemp<sup>8</sup>) from the CSA. Conforming amendments to 21 C.F.R. § 1308.11, while required as part

<sup>6</sup> “Marihuana” and “Tetrahydrocannabinols” were both included in the initial schedule I established by Congress in 1970.

<sup>7</sup> *Cf. United States v. Huerta*, 547 F.2d 545, 547 (10th Cir. 1977) (“[F]ailure to publish the ‘updated’ schedules as required by Section 812(a) had no effect upon the validity of those substances initially listed in the five schedules.”); *United States v. Monroe*, 408 F. Supp. 270, 274 (N.D. Cal. 1976) (“Thus, while section 812(a) clearly orders the controlled substance schedules to be republished, it is clear that Congress did not intend republication to serve as a reissuance of the schedules, which if done improperly would cause those schedules to lapse and expire. . . . [T]he requirement that the schedules, once ‘updated,’ be ‘republished’ was solely for the purpose of establishing one list which would reflect all substances which were currently subject to the Act’s provisions. . . .”).

<sup>8</sup> Schedule I, as published in 21 C.F.R. § 1308.11, includes a definition of “tetrahydrocannabinols” in paragraph (d)(31) that does not appear in the CSA. Notwithstanding the presence of that definition in the current regulations, I

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of DEA's continuing obligation to publish updated schedules, are not necessary to execute the 2018 Farm Bill changes to schedule I.<sup>9</sup>

**B. After the Department of Agriculture Publishes Regulations Implementing the Hemp Production Provisions of the 2018 Farm Bill Contained in Subtitle G of the Agricultural Marketing Act of 1946, States and Indian Tribes May Not Prohibit the Interstate Transportation or Shipment of Hemp Lawfully Produced Under a State or Tribal Plan or Under a License Issued Under the Departmental Plan.**

AMA § 297D(a)(1)(A) directs the Secretary to issue regulations and guidelines "as expeditiously as possible" to implement subtitle G of the AMA. 7 U.S.C. § 1639r(a)(1)(A). These regulations will address the approval of State and Tribal plans under AMA § 297B and the issuance of licenses under the Departmental plan under AMA § 297C. As explained below, once these regulations are published, States and Indian tribes may not prohibit the transportation or shipment of hemp (including hemp products) produced in accordance with an approved State or Tribal plan or produced under a license issued under the Departmental plan.

Transportation of hemp is addressed in 2018 Farm Bill § 10114.<sup>10</sup> Subsection (a) provides:

(a) RULE OF CONSTRUCTION.—Nothing in this title or an amendment made by this title prohibits the interstate commerce of hemp (as defined in section 297A of the Agricultural Marketing Act of 1946 (as added by section 10113)) or hemp products.

7 U.S.C. § 1639o note. This provision states that nothing in title X of the 2018 Farm Bill

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am of the opinion that THC in hemp is excluded from THC as a schedule I controlled substance under the CSA by virtue of the 2018 Farm Bill amendments.

<sup>9</sup> Schedule I, as reflected in 21 C.F.R. § 1308.11, includes a separate listing of "marihuana extract" in paragraph (d)(58). Marijuana extract is not reflected in schedule I in the statute because it was added after 1970 by regulation under CSA § 201. The term "marihuana extract" is defined in regulation as "an extract containing one or more cannabinoids that has been derived from any plant of the genus *Cannabis*, other than the separated resin (whether crude or purified) obtained from the plant." The 2018 Farm Bill amended the definition of "marihuana" to exclude hemp, but because the regulatory definition of "marihuana extract" in schedule I does not use the words "marihuana" or "tetrahydrocannabinols" to define the term, a question arises whether **hemp extract** is still considered to be listed as a schedule I controlled substance. While the issue is not further addressed in this opinion, I think that the revised statutory definition of "marihuana" has effectively removed hemp extract from schedule I, and that reflecting such in 21 C.F.R. § 1308.11(d)(58) would be merely a conforming amendment.

<sup>10</sup> Hemp transportation is also addressed in annual appropriations acts, which restrict Federal appropriated funds from being used to prohibit the transportation of hemp. However, those provisions are limited in scope because they address only hemp produced under the 2014 Farm Bill authority, and they address only Federal government actions. That is, while the provisions prohibit Federal actors from blocking the transportation of so-called "2014 Farm Bill hemp," they do not restrict State action in that regard. *See* Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2019, Pub. L. 116-6, div. B, § 728 (prohibiting funds made available by that Act or any other Act from being used in contravention of 2014 Farm Bill § 7606 or "to prohibit the transportation, processing, sale, or use of industrial hemp, or seeds of such plant, that is grown or cultivated in accordance with [2014 Farm Bill § 7606], within or outside the State in which the industrial hemp is grown or cultivated"). *See also* Commerce, Justice, Science, and Related Agencies Appropriations Act, 2019, Pub. L. 116-6, div. C, § 536 ("None of the funds made available by this Act may be used in contravention of [2014 Farm Bill § 7606] by the Department of Justice or the Drug Enforcement Administration.").

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prohibits the interstate commerce of hemp. However, this provision, standing alone, does not have the effect of sanctioning the transportation of hemp in States or Tribal areas where such transportation is prohibited under State or Tribal law.

Subsection (b), however, specifically prohibits States and Indian tribes from prohibiting the transportation of hemp through that State or Tribal territory. Subsection (b) provides:

(b) TRANSPORTATION OF HEMP AND HEMP PRODUCTS.—No State or Indian Tribe shall prohibit the transportation or shipment of hemp or hemp products produced in accordance with subtitle G of the Agricultural Marketing Act of 1946 (as added by section 10113) through the State or the territory of the Indian Tribe, as applicable.

7 U.S.C. § 1639o note. In effect, this provision preempts State law to the extent such State law prohibits the interstate transportation or shipment of hemp that has been produced in accordance with subtitle G of the AMA.

As a matter of constitutional law, “[t]he Supremacy Clause provides a clear rule that federal law ‘shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any [S]tate to the Contrary notwithstanding. . . .’ Under this principle, Congress has the power to preempt [S]tate law.” *Arizona v. United States*, 567 U.S. 387, 398-99 (2012) (citing U.S. Const. art. VI, cl. 2). “Under the doctrine of federal preemption, a federal law supersedes or supplants an inconsistent [S]tate law or regulation.” *United States v. Zadeh*, 820 F.3d 746, 751 (5th Cir. 2016).

Federal courts generally recognize three categories of preemption: (1) express preemption (where Congress “withdraw[s]” powers from the State through an “express preemption provision”);<sup>11</sup> (2) field preemption (where States are “precluded from regulating conduct in a field that Congress, acting within its proper authority, has determined must be regulated by its exclusive governance”);<sup>12</sup> and conflict preemption (where State laws are preempted when they conflict with Federal law, which includes situations “where ‘compliance with both federal and [S]tate regulations is a physical impossibility’” or situations “where the challenged [S]tate law ‘stands as an obstacle to the accomplishment and execution of the full purposes and objectives of Congress’”).<sup>13</sup> *Arizona*, 567 U.S. at 399-400 (citations omitted); *see also Zadeh*, 820 F.3d at 751.

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<sup>11</sup> *See, e.g.*, 7 U.S.C. § 1639i(b) (“(b) Federal preemption.—No State or a political subdivision of a State may directly or indirectly establish under any authority or continue in effect as to any food or seed in interstate commerce any requirement relating to the labeling of whether a food (including food served in a restaurant or similar establishment) or seed is genetically engineered (which shall include such other similar terms as determined by the Secretary of Agriculture) or was developed or produced using genetic engineering, including any requirement for claims that a food or seed is or contains an ingredient that was developed or produced using genetic engineering.”).

<sup>12</sup> *See, e.g., Pac. Gas & Elec. Co. v. State Energy Res. Conservation & Dev. Comm’n*, 461 U.S. 190, 212 (“[T]he federal government has occupied the entire field of nuclear safety concerns, except the limited powers expressly ceded to the [S]tates.”).

<sup>13</sup> *See, e.g.*, 21 U.S.C. § 903 (“No provision of this subchapter shall be construed as indicating an intent on the part of Congress to occupy the field in which that provision operates, including criminal penalties, to the exclusion of any State law on the same subject matter which would otherwise be within the authority of the State, unless there is

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Section 10114(b) of the 2018 Farm Bill satisfies the definition of conflict preemption because a State law prohibiting the interstate transportation or shipment of hemp or hemp products that have been produced in accordance with subtitle G of the AMA would be in direct conflict with section 10114(b), which provides that no State may prohibit such activity.<sup>14</sup> Therefore, any such State law has been preempted by Congress. The same result applies to Indian tribes.<sup>15</sup>

In sum, once the implementing regulations are published, States and Indian tribes may not prohibit the shipment of hemp lawfully produced under an approved State or Tribal plan or under a license issued under the Departmental plan.

C. States and Indian Tribes May Not Prohibit the Interstate Transportation or Shipment of Hemp Lawfully Produced Under the Agricultural Act of 2014.

Because the 2018 Farm Bill does not immediately repeal the hemp pilot authority in 2014 Farm Bill § 7606 — and because the publication of regulations implementing the hemp production provisions of the 2018 Farm Bill will likely not occur until later in 2019 — the question arises whether States and Indian tribes are prohibited from blocking the interstate transportation or shipment of hemp (including hemp products) lawfully produced under the 2014 Farm Bill. The answer depends on the meaning of the phrase “in accordance with subtitle G of the Agricultural Marketing Act of 1946” in 2018 Farm Bill § 10114(b) (7 U.S.C. § 1639o note). Only hemp produced in accordance with subtitle G is covered by the preemption provision discussed above. As explained below, it is my opinion that the answer to this question is yes, by operation of AMA § 297B(f).

AMA § 297B(f) states the legal effect of the provisions authorizing States and Indian tribes to develop plans for exercising primary regulatory authority over the production of hemp within that State or territory of the Indian tribe. Specifically, section 297B(f) provides:

(f) EFFECT.—Nothing in this section prohibits the production of hemp in a State or the territory of an Indian tribe—

(1) for which a State or Tribal plan is not approved under this section, if the production of hemp is in accordance with section 297C or other Federal laws (including regulations); and

(2) if the production of hemp is not otherwise prohibited by the State or Indian tribe.

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a positive conflict between that provision of this subchapter and that State law so that the two cannot consistently stand together.”).

<sup>14</sup> Alternatively, section 10114(b) might be considered an express preemption provision because the statute expressly withdraws the power of a State to prohibit the transportation or shipment of hemp or hemp products through the State.

<sup>15</sup> AMA § 297B(a)(3) contains an anti-preemption provision stating that nothing in § 297B(a) “preempts or limits any law of a State or Indian tribe” that “regulates the production of hemp” and “is more stringent than [subtitle G].” 7 U.S.C. § 1639p(a)(3). However, that anti-preemption provision is limited to the production of hemp — not the transportation or shipment of hemp — and thus does not conflict with 2018 Farm Bill § 10114(b).



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7 U.S.C. § 1639p(f) (emphasis added).

This provision addresses the production of hemp in a State or Tribal territory for which the State or tribe does not have an approved plan under AMA § 297B. This provision acknowledges that, in such a scenario, the production of hemp in that State or Tribal territory is still permissible if it is produced **either** in accordance with the Departmental plan under AMA § 297C **or** in accordance with other Federal laws, and the State or tribe does not otherwise prohibit its production.

The plain language of subtitle G of the AMA, as added by the 2018 Farm Bill, thus clearly contemplates a scenario in which hemp is neither produced under an approved 297B plan nor under a license issued under the Department's 297C plan, but is still legally produced under "other Federal laws." It is my opinion that "other Federal laws" encompasses 2014 Farm Bill § 7606.<sup>16</sup>

To my knowledge, before enactment of 2014 Farm Bill § 7606, the CSA was the only Federal law that authorized the production of hemp. Indeed, the production of hemp — as the "manufacture" of a schedule I controlled substance — was generally prohibited under the CSA except to the extent authorized under a registration or waiver under the CSA. *See* 21 U.S.C. §§ 802(15), 802(22), 822, and 823; 21 C.F.R. part 1301. Given (1) the removal of hemp as a controlled substance under the CSA, (2) the delayed repeal of the 2014 Farm Bill § 7606 authority, and (3) the enactment of the new hemp production authorities in subtitle G of the AMA, it is my opinion that "other Federal laws" refers to the provisions of 2014 Farm Bill § 7606, which are still in effect. Such an interpretation gives immediate effect to the phrase "other Federal laws." It is a "cardinal principle of interpretation that courts must give effect, if possible, to every clause and word of a statute." *See, e.g., Loughrin v. United States*, 573 U.S. 351, 358 (2014) (internal quotations and citations omitted).

Therefore, reading AMA § 297B(f) in harmony with 2018 Farm Bill § 10114(b), if the hemp is legally produced in accordance with 2014 Farm Bill § 7606 ("other Federal law"), then, by virtue of AMA § 297B(f), its production is not prohibited. Such hemp would have been produced "in accordance with subtitle G," which specifically addresses just such a scenario, as AMA § 297B(f) is part of subtitle G. Accordingly, under 2018 Farm Bill § 10114(b), a State or Indian

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<sup>16</sup> That Congress envisioned such a scenario is apparent given the language in 2018 Farm Bill § 7605(b) delaying the repeal of 2014 Farm Bill § 7606 until 12 months after the Secretary establishes the 297C plan. Accordingly, this interpretation is not precluded by AMA § 297C(c)(1), which provides: "[i]n the case of a State or Indian tribe for which a State or Tribal plan is not approved under section 297B, it shall be unlawful to produce hemp in that State or the territory of that Indian tribe without a license issued by the Secretary under subsection (b)." Given the reference to "or other Federal laws" in AMA § 297B(f)(1) — and the fact that 2014 Farm Bill § 7606 is still in effect — it would be an absurd reading of AMA § 297C(c)(1) to conclude that hemp produced in accordance with Federal law (2014 Farm Bill § 7606) is, at the same time, unlawful without a separate license issued by the Secretary under the 297C plan. As courts have long recognized, statutory interpretations that "produce absurd results are to be avoided if alternative interpretations consistent with the legislative purpose are available." *Griffin v. Oceanic Contractors, Inc.*, 458 U.S. 564, 575 (1982).



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tribe may not prohibit the transportation or shipment of so-called “2014 Farm Bill hemp” through that State or Tribal territory.<sup>17</sup>

Recent Developments

I acknowledge that this conclusion is in tension with a recent decision in a case in the District of Idaho, but it also is consistent with a recent decision in a case in the Southern District of West Virginia. Neither court addressed the “other Federal laws” language in AMA § 297B(f)(1), which I find conclusive.

In *Big Sky Scientific LLC v. Idaho State Police*, Case No. 19-CV-00040 (D. Idaho), a magistrate judge found that a shipment of Oregon hemp bound for Colorado and interdicted by Idaho State Police could not have been produced “in accordance with subtitle G” because the State of origin does not yet have an approved plan under AMA § 297B and the Secretary has not yet established a plan under AMA § 297C.<sup>18</sup> The magistrate acknowledged Oregon law authorizing the cultivation of hemp, noting the plaintiff’s assertion that the hemp was produced by a grower licensed by the Oregon Department of Agriculture (and, thus, presumably in compliance with 2014 Farm Bill § 7606 requirements).<sup>19</sup> However, in denying the plaintiff’s motion for a preliminary injunction, the magistrate concluded that, in enacting the 2018 Farm Bill, Congress intended to “create a regulatory framework around the production and interstate transportation of hemp for purposes of federal law, and that framework is to be contained in the federal (or compliant [S]tate or [T]ribal) plan for production of hemp found in the 2018 Farm Bill.”<sup>20</sup> Although the 2018 Farm Bill allows hemp to be transported across State lines, the magistrate found those interstate commerce protections apply only to hemp produced under regulations promulgated under the authority of the 2018 Farm Bill.<sup>21</sup> Therefore, because those regulations do not yet exist, the interdicted hemp is subject to Idaho law prohibiting its transportation.

USDA is not a party in the *Big Sky* case, and this office does not concur with the reasoning of the magistrate regarding the shipment of hemp lawfully produced under the 2014 Farm Bill. In

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<sup>17</sup> This conclusion seems to be supported in the legislative history as well. In explaining the effect of the preemption provision, the Conference Report states: “While [S]tates and Indian tribes may limit the production and sale of hemp and hemp products within their borders, the Managers, in Sec. 10112 [sic], agreed to not allow [S]tates and Indian tribes to limit the transportation or shipment of hemp or hemp products through the [S]tate or Indian territory.” H.R. REP. NO. 115-1072, at 738 (2018). Notably, the Managers referred to hemp generally, not merely hemp produced under a plan developed under subtitle G of the AMA.

<sup>18</sup> See *Big Sky*, ECF Doc. #32, Memorandum Decision and Order Re: Plaintiff’s Motion for Preliminary Injunction; see also ECF Doc. #6, Memorandum Decision and Order Re: Plaintiff’s Emergency Motion for Temporary Restraining Order and Preliminary Injunction and Plaintiff’s Motion to File Overlength Brief (*available at* 2019 WL 438336 (Feb. 2, 2019)).

<sup>19</sup> *Big Sky*, ECF Doc. #32, at 5, 7-8.

<sup>20</sup> *Id.* at 3.

<sup>21</sup> *Id.* at 19-26.

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interpreting the statutory language, the magistrate correctly noted the well-recognized principle of statutory construction that statutes should not be interpreted “in a manner that renders other provisions of the same statute inconsistent, meaningless, or superfluous.”<sup>22</sup> However, seemingly ignoring that guiding principle of interpretation, the magistrate did not address the effect of the “other Federal laws” language in AMA § 297B(f) or attempt to give that language any meaning. The Idaho court failed to read the statute as a whole and did not consider the “other Federal laws” clause that I find conclusive. Given the preliminary nature of the magistrate’s ruling, I find his opinion denying a preliminary injunction unpersuasive.<sup>23</sup>

Conversely, the interpretation of 2018 Farm Bill § 10114 advanced by this legal opinion is consistent with a decision issued in the Southern District of West Virginia. In *United States v. Mallory*, Case No. 18-CV-1289 (S.D. W. Va.), the Department of Justice filed a civil action to seize hemp allegedly grown in violation of the CSA and also outside the scope of the 2014 Farm Bill. At issue in that case was hemp purportedly grown by a producer licensed by the State of West Virginia under a 2014 Farm Bill § 7606 pilot program, where the hemp seeds were shipped from a Kentucky supplier licensed by the Commonwealth of Kentucky under a 2014 Farm Bill § 7606 pilot program. The court relied on a combination of laws — the 2014 Farm Bill, the appropriations acts provisions,<sup>24</sup> and the 2018 Farm Bill — to dissolve a preliminary injunction against the defendant<sup>25</sup> and to dismiss entirely the government’s case.<sup>26</sup> In dissolving the preliminary injunction, the court permitted the defendants to transport the hemp product across State lines to Pennsylvania for processing and sale.<sup>27</sup>

Although the *Mallory* court did not have occasion to address any State attempts to block the transportation of hemp, the court did reference 2018 Farm Bill § 10114, noting that it “expressly allows hemp, its seeds, and hemp-derived products to be transported across State lines.”<sup>28</sup> The district judge’s opinion addressed hemp produced under 2014 Farm Bill § 7606 and not hemp produced under State, Tribal, or Departmental plans. The conclusion reached by the *Mallory* court is consistent with my interpretation that States cannot block the shipment of hemp, whether

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<sup>22</sup> *Id.* at 21-22 (citing *Padash v. I.N.S.*, 258 F.3d 1161, 1170-71 (9th Cir. 2004)). The magistrate continued:

It is a cardinal principle of statutory construction that a statute ought, upon the whole, to be so construed that, if it can be prevented, no clause, sentence, or word shall be superfluous, void, or insignificant. . . . It is our duty to give effect, if possible, to every clause and word of a statute.

*Id.* at 23 (internal quotations and citations omitted).

<sup>23</sup> Indeed, the magistrate’s ruling is under appeal. See *Big Sky Sci. LLC v. Bennetts*, Case No. 19-35138 (9th Cir.).

<sup>24</sup> See *supra* footnote 10.

<sup>25</sup> *Mallory*, ECF Doc. #60, Memorandum Opinion and Order, 2019 WL 252530 (S.D. W. Va. Jan. 17, 2019).

<sup>26</sup> *Mallory*, ECF Doc. #72, Memorandum Opinion and Order, 2019 WL 1061677 (S.D. W. Va. Mar. 6, 2019).

<sup>27</sup> *Mallory*, ECF Doc. #60, 2019 WL 252530, at \*3.

<sup>28</sup> *Mallory*, ECF Doc. #72, 2019 WL 1061677, at \*6.

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that hemp is produced under the 2014 Farm Bill or under a State, Tribal, or Departmental plan under the 2018 Farm Bill. It is also a final judgment of the Southern District of West Virginia court, and not a preliminary ruling as with the District of Idaho magistrate's opinion.<sup>29</sup>

In matters of statutory interpretation, the text of the statute governs. One must read that text in its entirety and give every word meaning. The reference to "other Federal laws" must be given meaning, and that language clearly refers to the Federal law that currently authorizes the production of hemp — 2014 Farm Bill § 7606. Therefore, hemp produced under that pilot authority is hemp produced in accordance with subtitle G of the AMA. States and Indian tribes may not prohibit the transportation or shipment of such hemp through that State or Tribal territory.

**D. The 2018 Farm Bill Places Restrictions on the Production of Hemp by Certain Felons.**

The 2018 Farm Bill added a new provision addressing the ability of convicted felons to produce hemp. The 2014 Farm Bill is silent on the issue. AMA § 297B(e)(3)(B) (hereafter, "Felony provision"), as added by the 2018 Farm Bill, provides:

(B) FELONY.—

(i) IN GENERAL.—Except as provided in clause (ii), any person convicted of a felony relating to a controlled substance under State or Federal law before, on, or after the date of enactment of this subtitle shall be ineligible, during the 10-year period following the date of the conviction—

(I) to participate in the program established under this section or section 297C; and

(II) to produce hemp under any regulations or guidelines issued under section 297D(a).

(ii) EXCEPTION.—Clause (i) shall not apply to any person growing hemp lawfully with a license, registration, or authorization under a pilot program authorized by section 7606 of the Agricultural Act of 2014 (7 U.S.C. 5940) before the date of enactment of this subtitle.

7 U.S.C. § 1639p(e)(3)(B) (emphasis added). The references to "the date of enactment of this subtitle" are to subtitle G of the AMA, as added by section 10113 of 2018 Farm Bill. Therefore, the "date of enactment of this subtitle" is the date of enactment of the 2018 Farm Bill — December 20, 2018.

In explaining the Felony provision, the Conference Report notes:

Any person convicted of a felony relating to a controlled substance shall be ineligible to participate under the [S]tate or [T]ribal plan for a 10-year period following the date of the conviction. However, this prohibition shall not apply to producers who have been lawfully participating in a [S]tate hemp pilot program as authorized by the Agricultural Act of 2014, prior to enactment of this subtitle. Subsequent felony convictions after the date of enactment of this subtitle will trigger a 10-year

<sup>29</sup> *Mallory*, ECF Doc. #72, 2019 WL 1061677, at \*9 (denying the United States' motion to amend and granting the defendants' motion to dismiss). *Big Sky*, ECF Doc. #32, at 28 (denying the plaintiff's motion for preliminary injunction and noting that the court will separately issue an order setting a scheduling conference to govern the case going forward).



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nonparticipation period regardless of whether the producer participated in the pilot program authorized in 2014.

H.R. REP. NO. 115-1072, at 737 (2018).

In sum, a person convicted of a State or Federal felony relating to a controlled substance — regardless of when that conviction occurred — is ineligible to produce hemp under subtitle G of the AMA for a period of 10 years following the date of the conviction. An exception exists in clause (ii) of the Felony provision that applies to a person who was lawfully producing hemp under the 2014 Farm Bill **before December 20, 2018**, and who had been convicted of a felony relating to a controlled substance before that date. States and Indian tribes now have a responsibility to determine whether a person wishing to produce hemp in that State or Tribal territory has any Federal or State felony convictions relating to controlled substances that would make that person ineligible to produce hemp.

### III. OTHER ISSUES

There are two additional important aspects of this issue that should be emphasized.

First, the 2018 Farm Bill preserves the authority of States and Indian tribes to enact and enforce laws regulating the production of hemp that are more stringent than Federal law. *See* AMA § 297B(a)(3) (7 U.S.C. § 1639p(a)(3)) (“Nothing in this subsection preempts or limits any law of a State or Indian tribe that . . . (i) regulates the production of hemp; and (ii) is more stringent than this subtitle.”). For example, a State may continue to prohibit the growth or cultivation of hemp in that State.<sup>30</sup> As discussed above, however, while a State or Indian tribe may prohibit the production of hemp, it may not prohibit the interstate shipment of hemp that has been produced in accordance with Federal law.

Second, the 2018 Farm Bill does not affect or modify the authority of the Secretary of Health and Human Services (“HHS Secretary”) or Commissioner of Food and Drugs (“FDA Commissioner”) under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. § 301 et seq.) and section 351 of the Public Health Service Act (42 U.S.C. § 262). *See* AMA § 297D(c) (7 U.S.C. § 1639r(c)). While AMA § 297D(b) provides that the Secretary of Agriculture shall have “sole authority” to issue Federal regulations and guidelines that relate to the production of hemp, this authority is subject to the authority of the HHS Secretary and FDA Commissioner to promulgate Federal regulations and guidelines under those FDA laws. 7 U.S.C. § 1639r(b).

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<sup>30</sup> Certain states continue to prohibit the cultivation of hemp. *See* National Conference of State Legislatures, “State Industrial Hemp Statutes,” available at <http://www.ncsl.org/research/agriculture-and-rural-development/state-industrial-hemp-statutes.aspx#state> (updated Feb. 1, 2019).

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**IV. CONCLUSION**

I have analyzed the hemp provisions enacted as part of the 2018 Farm Bill and reach the following conclusions:

1. As of the enactment of the 2018 Farm Bill on December 20, 2018, hemp has been removed from schedule I of the CSA and is no longer a controlled substance.
2. After USDA publishes regulations implementing the hemp production provisions of the 2018 Farm Bill contained in subtitle G of the AMA, States and Indian tribes may not prohibit the interstate transportation or shipment of hemp lawfully produced under a State or Tribal plan or under a license issued under the Departmental plan.
3. States and Indian tribes may not prohibit the interstate transportation or shipment of hemp lawfully produced under the 2014 Farm Bill.
4. A person with a State or Federal felony conviction relating to a controlled substance is subject to a 10-year ineligibility restriction on producing hemp under subtitle G of the AMA. An exception applies to a person who was lawfully growing hemp under the 2014 Farm Bill before December 20, 2018, and whose conviction also occurred before that date.

The 2018 Farm Bill preserves the authority of States and Indian tribes to enact and enforce laws regulating the production of hemp that are more stringent than Federal law. Additionally, the 2018 Farm Bill does not affect or modify the authority of the HHS Secretary or FDA Commissioner to regulate hemp under applicable FDA laws.

First Regular Session of the 121st General Assembly (2019)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

## SENATE ENROLLED ACT No. 516

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AN ACT to amend the Indiana Code concerning agriculture and animals.

*Be it enacted by the General Assembly of the State of Indiana:*

SECTION 1. IC 15-11-15 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

### **Chapter 15. Indiana Hemp Advisory Committee**

**Sec. 1.** As used in this chapter, "advisory committee" refers to the Indiana hemp advisory committee established by section 3 of this chapter.

**Sec. 2.** As used in this chapter, "hemp" has the meaning set forth in IC 15-15-13-6.

**Sec. 3. (a)** The Indiana hemp advisory committee is established for the purpose of providing advice to the office of the state seed commissioner with respect to plans, policies, rules, fees, and procedures applicable to the administration of IC 15-15-13.

**(b)** The advisory committee consists of the following members:

- (1)** The director of the department or the director's designee.
- (2)** The state seed commissioner or the state seed commissioner's designee.
- (3)** The superintendent of the state police department or the superintendent's designee.
- (4)** The commissioner of the state department of health or the commissioner's designee.

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(5) The chairman of the alcohol and tobacco commission or the chairman's designee.

(6) One (1) individual who is an elected sheriff who is appointed by the governor.

(7) One (1) individual who is a member of the Midwest Hemp Council who is appointed by the governor.

(8) One (1) individual who has experience in hemp crop production who is appointed by the president of the Indiana Farm Bureau, Inc.

(9) One (1) individual who has experience in hemp production who is appointed by the president of Agribusiness Council of Indiana.

(10) One (1) individual who is a seed distributor with an active permit under IC 15-15-1-34 and who sells agricultural hemp seed who is appointed by the president of Indiana Crop Improvement Association.

(11) The director of the department of financial institutions or the director's designee.

(c) The state seed commissioner is the chairperson of the advisory committee and is a nonvoting member.

(d) A member appointed to the advisory committee shall serve for a term of three (3) years.

(e) The advisory committee shall meet at the call of the chairperson but not less than one (1) time annually.

(f) A member may be appointed for consecutive terms.

(g) An appointing authority may replace a member at any time during the member's term to serve the remainder of the member's term.

Sec. 4. The department shall provide administrative and staff support for the advisory committee.

Sec. 5. (a) Each member of the board who is not a state employee is entitled to receive both:

(1) the minimum salary per diem; and

(2) reimbursement for travel expenses and other expenses actually incurred in connection with the member's duties;

as provided in the Purdue University travel policies and procedures established by the Purdue University department of transportation and approved by the Purdue University vice president of business services.

(b) Each member of the board who is a state employee is entitled to reimbursement for travel expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection



with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

**Sec. 6. The advisory committee shall hold a public meeting to discuss and receive public comment regarding the plan described in IC 15-15-13-15 before the plan is submitted to the United States Department of Agriculture under IC 15-15-13-15.**

**Sec. 7. This chapter expires July 1, 2021.**

SECTION 2. IC 15-15-13-1, AS ADDED BY P.L.165-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. **(a)** Nothing in this chapter authorizes any person to violate any federal law or regulation.

**(b) Nothing in this chapter authorizes the state seed commissioner to regulate a hemp product.**

SECTION 3. IC 15-15-13-3, AS ADDED BY P.L.165-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. As used in this chapter, "crop" means any ~~industrial~~ hemp grown under a single license.

SECTION 4. IC 15-15-13-4, AS ADDED BY P.L.165-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. As used in this chapter, "grower" means:

- (1) an individual, a partnership, a company, or a corporation that produces ~~industrial~~ hemp for commercial purposes; or
- (2) a person, as part of an ~~an industrial~~ a hemp research program conducted by a state educational institution (as defined by IC 21-7-13-32).

SECTION 5. IC 15-15-13-5, AS ADDED BY P.L.165-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. As used in this chapter, "handler" means an individual, a partnership, a company, or a corporation that receives ~~industrial~~ hemp for scientific research, or for processing into commodities, **hemp** products, or agricultural hemp seed.

SECTION 6. IC 15-15-13-6, AS ADDED BY P.L.165-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. As used in this chapter, "~~industrial~~ hemp" means

- (+) all nonseed parts and varieties of the plant Cannabis sativa plant, L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, that contain a crop wide average tetrahydrocannabinol (THC) concentration that does not exceed the lesser of:**



(A) with a delta-9-tetrahydrocannabinol concentration of not more than three-tenths of one percent (0.3%) on a dry weight basis, for any part of the Cannabis sativa L. plant. or

(B) the percent based on a dry weight basis determined by the federal Controlled Substances Act (21 U.S.C. 801 et seq.); or  
(2) any Cannabis sativa seed that is:

(A) part of a growing crop;

(B) retained by a grower for future planting; or

(C) for processing into, or use as, agricultural hemp seed.

The term does not include industrial hemp commodities or products.

SECTION 7. IC 15-15-13-6.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 6.5. As used in this chapter, "hemp product" means a product derived from, or made by, processing hemp plants or plant parts including derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers. However, the term does not include:**

(1) smokable hemp (as defined by IC 35-48-1-26.6); or

(2) products that contain a total delta-9-tetrahydrocannabinol concentration of more than three-tenths of one percent (0.3%) by weight.

SECTION 8. IC 15-15-13-7, AS ADDED BY P.L.165-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) Subject to section 15 of this chapter, the production of, possession of, scientific study of, and commerce in ~~industrial~~ hemp is authorized in Indiana. ~~Industrial~~ Hemp is an ~~agricultural product that is subject to regulation by the state seed commissioner. The state seed commissioner shall adopt rules to oversee the licensing, production, and management of:~~

(1) ~~industrial~~ hemp; and

(2) agricultural hemp seed.

~~to ensure integrity of audits and security of field sites of each commodity:~~

(b) All growers and handlers must have ~~an industrial a~~ hemp license issued by the state seed commissioner. Growers and handlers engaged in the production of agricultural hemp seed must also have an agricultural hemp seed production license.

(c) An application for ~~an industrial a~~ hemp license or agricultural hemp seed production license must include the following:

(1) The name and address of the applicant.

(2) The name and address of the ~~industrial~~ hemp operation of the



applicant.

(3) The global positioning system coordinates and legal description of the property used for the ~~industrial~~ hemp operation.

(4) If the ~~industrial~~ hemp license or agricultural hemp seed production license application is made by a grower, the acreage size of the field where the ~~industrial~~ hemp will be grown.

(5) A statement signed by the applicant, under penalty of perjury, that the person applying for the ~~industrial~~ hemp license or agricultural hemp seed production license has not been convicted of a drug related felony or misdemeanor in the previous ten (10) years.

(6) A written consent allowing the state police department to conduct a state or national criminal history background check.

(7) A written consent allowing the state police department, **the state seed commissioner, or the state seed commissioner's authorized representative**, if a license is issued to the applicant, **to conduct aerial inspections and** to enter the premises on which the ~~industrial~~ hemp is grown to conduct physical inspections of ~~industrial~~ hemp planted and grown by the applicant, and to ensure the plants meet the definition of ~~industrial~~ hemp as set forth in section 6 of this chapter. ~~Not more than two (2) physical inspections may be conducted under this subdivision per year, unless a valid search warrant for an inspection has been issued by a court of competent jurisdiction.~~

(8) A nonrefundable application fee, which must include the amount necessary to conduct a state or national criminal history background check, in an amount determined by the state seed commissioner.

(9) Any other information required by the state seed commissioner.

SECTION 9. IC 15-15-13-8, AS ADDED BY P.L.165-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) Each license application received under this chapter must be processed as follows:

(1) Upon receipt of a license application, the state seed commissioner shall **do one (1) of the following**:

(A) Forward a copy of the application to the state police department. The state police department shall do the following:

~~(A)~~ (i) Perform a state or national criminal history background check of the applicant.

~~(B)~~ (ii) Determine if the requirements under section 7(c)(5)



of this chapter concerning prior criminal convictions have been met.

~~(C)~~ **(iii)** Return the application to the state seed commissioner along with the state police department's determinations and a copy of the state or national criminal history background check.

**(B) The state seed commissioner shall do the following:**

**(i) Perform a state or national criminal history background check of the applicant under the same standards as the state police department would perform.**

**(ii) Determine if the requirements under section 7(c)(5) of this chapter concerning prior criminal convictions have been met.**

(2) The state seed commissioner shall review the license application ~~returned from the state police department:~~ **and the criminal history background check.**

(b) If the state seed commissioner determines that all the requirements under this chapter have been met and that a license should be granted to the applicant, the state seed commissioner shall approve the application for issuance of a license.

(c) ~~An industrial A~~ **A** hemp license or agricultural hemp seed production license is ~~valid for a one (1) year term expires on December 31 of the year for which the license was issued,~~ unless revoked. ~~An industrial A~~ **A** hemp license or agricultural hemp seed production license may be renewed in accordance with rules adopted by the state seed commissioner and is nontransferable.

SECTION 10. IC 15-15-13-9, AS AMENDED BY P.L.139-2016, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) An agricultural hemp seed production license issued under this chapter authorizes a grower or handler to produce and handle agricultural hemp seed for sale to licensed ~~industrial~~ hemp growers and handlers. A seller of agricultural hemp seed shall ensure that the seed complies with any standards set by the state seed commissioner. The state seed commissioner shall make available to growers information that identifies sellers of agricultural hemp seed.

**(b) A person who sells agricultural hemp seed to a grower must be a seed distributor who has a permit under IC 15-15-1-34.**

~~(b)~~ **(c)** All growers and handlers must keep records in accordance with rules adopted by the state seed commissioner. Upon at least three (3) days notice, the state seed commissioner may audit the required records during normal business hours. The state seed commissioner



may conduct an audit for the purpose of ensuring compliance with:

- (1) this chapter;
- (2) rules adopted by the state seed commissioner; or
- (3) ~~industrial~~ hemp license or agricultural hemp seed production license requirements, terms, and conditions.

~~(c)~~ **(d)** In addition to an audit conducted in accordance with subsection ~~(b)~~; **(c)**, the state seed commissioner may inspect independently, or in cooperation with the state police department, a federal law enforcement agency, or a local law enforcement agency, any ~~industrial~~ hemp crop during the crop's growth phase and take a representative composite sample for field analysis. If a crop contains an average ~~tetrahydrocannabinol~~ **delta-9-tetrahydrocannabinol** (THC) concentration exceeding ~~the lesser of:~~

- ~~(1)~~ **(1)** three-tenths of one percent (0.3%) on a dry weight basis, ~~or~~
- ~~(2)~~ **(2)** the percent based on a dry weight basis determined by the federal Controlled Substance Act (21 U.S.C. 801 et seq.);

the state seed commissioner may detain, seize, or embargo the crop.

**(e) The state seed commissioner may revoke a license issued under this chapter to a person that fails to cooperate with:**

- (1) the state seed commissioner;**
- (2) the state police;**
- (3) a federal law enforcement agency; or**
- (4) a local law enforcement agency;**

**in an inspection, or in the taking of a sample, under subsection (d).**

**(f) A failure to cooperate described in subsection (e) constitutes probable cause for the state seed commissioner, state police, federal law enforcement agency, or local law enforcement agency to search the premises of the licensee's hemp operation.**

**(g) If the state police department, a federal law enforcement agency, or a local law enforcement agency cooperates with the state seed commissioner in the detention, seizure, or embargo of a crop under this section:**

- (1) the state police department, federal law enforcement agency, or local law enforcement agency; and**
- (2) any officer or employee of the state police department, federal law enforcement agency, or local law enforcement agency who is involved in the detention, seizure, or embargo;**

**is immune from civil liability for the detention, seizure, or embargo.**

**(h) The state seed commissioner may order a hemp crop that is detained, seized, or embargoed for noncompliance with this chapter to be destroyed by the owner. However, except as**





prohibited by federal law, the grower may appeal to the state seed commissioner for the hemp crop to be diverted to a willing licensed processor for processing and sale for industrial use. A hemp crop that is detained, seized, or embargoed may not be used for cannabidiol, other extracts, oil, food, or cosmetic products that are used for humans or animals.

(i) A grower shall reimburse the state seed commissioner for the cost of testing conducted on the grower's crop under this section.

SECTION 11. IC 15-15-13-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 9.5. (a) A person who is a handler licensed under this section may distribute clones and other nonseed propagative materials of a hemp plant using the person's own labeling, if the distributor does the following:**

- (1) Complies with the requirements of this chapter.
- (2) Reports the variety and quantity of each variety of the propagative material of plant sold.
- (3) Pays the inspection fee on the basis of the report.
- (4) Labels the propagative material with the information required by the state seed commissioner.
- (5) Keeps records to accurately determine the named varieties and the number of plants of each variety distributed.
- (6) Grants the state seed commissioner or the state seed commissioner's authorized representative access to examine the handler's records and verify the quantity and each variety of propagative material distributed.
- (7) Report, under oath, to the state seed commissioner on forms furnished by the state seed commissioner each variety and quantity of propagative material sold during each semiannual period.
- (8) Any other information or conditions stated in the application.

(b) The state seed commissioner may revoke a handler's license if the commissioner determines any of the following:

- (1) That the licensee has not complied with the requirements under this chapter.
- (2) The report required in subsection (a) has not been submitted and is more than ten (10) days late.
- (3) The report required in subsection (a) contained false information.
- (4) The labeling requirements under this chapter have not been met.



**(c) If the inspection fee has not been paid and is more than ten (10) days late, the state seed commissioner shall assess a late fee.**

**(d) Each year the:**

**(1) report required under subsection (a)(7); and**

**(2) inspection fees required under this chapter;**

**for the period beginning on January 1 and ending on June 30 and for the period beginning on July 1 and ending on December 31 are due not more than thirty (30) days after the end of the semiannual period.**

SECTION 12. IC 15-15-13-11, AS ADDED BY P.L.165-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. Only an ~~an industrial~~ a hemp licensee, the licensee's designee, or the licensee's agents may be permitted to transport ~~industrial~~ hemp off a production site. When transporting ~~industrial~~ hemp off the production site, the ~~industrial~~ hemp licensee, designee, or agent shall have in the licensee's, designee's, or agent's possession the licensing documents from the state seed commissioner evidencing that the ~~industrial~~ hemp is from certified seed produced by a licensed grower.

SECTION 13. IC 15-15-13-12, AS ADDED BY P.L.165-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. The state seed commissioner is responsible for the following:

(1) Monitoring the ~~industrial~~ hemp grown by any license holder.

(2) Conducting random testing of the ~~industrial~~ hemp for compliance with tetrahydrocannabinol (THC) levels. **The state seed commissioner may enter into agreements with one (1) or more laboratories selected by the Indiana state police department to perform testing under this subdivision.**

(3) Establishing necessary testing criteria and protocols, **including a procedure for testing, using post decarboxylation or other similarly reliable methods, delta-9-tetrahydrocannabinol concentration levels of the hemp produced.**

(4) Establishing the minimum number of acres to be planted under each license issued under this chapter.

**(5) Regulating any propagative material of a hemp plant.**

SECTION 14. IC 15-15-13-13, AS ADDED BY P.L.165-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) **Subject to section 13.5 of this chapter**, in addition to any other liability or penalty provided by law, the state seed commissioner may revoke or refuse to issue or renew an



~~industrial~~ a hemp license or an agricultural hemp seed production license and may impose a civil penalty for a violation of:

- (1) a license requirement;
- (2) license terms or conditions; ~~or~~
- (3) a rule relating to growing or handling ~~industrial~~ hemp; **or**
- (4) section 19 of this chapter.**

(b) The state seed commissioner may not impose a civil penalty under this section that exceeds two thousand five hundred dollars (\$2,500).

(c) The state seed commissioner may revoke or refuse to issue or renew ~~an industrial~~ a hemp license or an agricultural hemp seed production license for a violation of any rule of the state seed commissioner that pertains to agricultural operations or activities other than ~~industrial~~ hemp growing or handling.

**(d) Any civil penalties collected under this section shall be transferred to the Indiana state department of agriculture and used for hemp marketing and research purposes.**

**(e) In addition to payment of any civil penalty imposed under this section, a person who commits a violation described in subsection (a) shall reimburse the state seed commissioner for any costs incurred by the state seed commissioner for laboratory testing of material pertaining to the violation.**

SECTION 15. IC 15-15-13-13.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 13.5. (a) Except as provided in subsection (b), the state seed commissioner shall give a person who negligently violates this chapter a reasonable time, determined by the state seed commissioner, to correct the violation without imposing a penalty under section 13 of this chapter. However, the state seed commissioner may require the person who committed the violation to comply with a corrective action plan determined by the state seed commissioner and report to the state seed commissioner on compliance with the corrective action plan.**

**(b) A person who commits a negligent violation of this chapter three (3) times in a five (5) year period shall immediately be ineligible to produce hemp for five (5) years.**

**(c) If the state seed commissioner believes that a person has knowingly or intentionally violated this chapter, the state seed commissioner shall notify:**

- (1) the superintendent of the state police department; and**
- (2) the prosecuting attorney of the county in which the violation occurred;**



of the violation.

**(d) A person who commits a negligent violation under this chapter is subject to a late fee as established by rule adopted by the seed commission.**

SECTION 16. IC 15-15-13-14, AS ADDED BY P.L.165-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. **(a)** The state seed commissioner shall adopt rules under IC 4-22-2 to implement and administer this chapter.

**(b) The state seed commissioner may adopt emergency rules in the manner provided under IC 4-22-2-37.1 to comply with any federal requirement under the Agriculture Improvement Act of 2018 to implement and administer this chapter.**

SECTION 17. IC 15-15-13-15, AS ADDED BY P.L.165-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. **(a)** Notwithstanding any other law, the state seed commissioner may not grant any license until the state seed commissioner has secured any necessary permissions, waivers, or other form of legal status by the United States Drug Enforcement Agency or other appropriate federal agency concerning industrial hemp.

**(b) Before December 31, 2019, the state seed commissioner, shall apply for any necessary permissions, waivers, or other forms of legal status by the United States Drug Enforcement Agency or other appropriate federal agency that are necessary to implement this chapter before January 1, 2015; after consultation with the governor, the director of the state department of agriculture, and the superintendent of the state police department, shall submit a plan that monitors and regulates the production of hemp to the United States Department of Agriculture. If the United States Department of Agriculture disapproves the plan, the state seed commissioner shall submit an amended plan to the United States Department of Agriculture.**

**(c)** The state seed commissioner may not implement a waiver under this section until the state seed commissioner files an affidavit with the governor attesting that the federal permission or waiver applied for under this section is in effect. The state seed commissioner shall file the affidavit under this subsection not later than five (5) days after the state seed commissioner is notified that the waiver is approved.

**(d)** If the state seed commissioner receives a waiver permission under this section from all the appropriate federal agencies and the governor receives the affidavit filed under subsection (c), the state seed commissioner shall implement this chapter, subject to the terms and conditions of the permission or waiver received, not more than sixty



(60) days after the governor receives the affidavit.

SECTION 18. IC 15-15-13-17, AS ADDED BY P.L.134-2015, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) The seed commissioner may keep the:

(1) names of growers and handlers who are licensed under this chapter; and

(2) locations of licensed industrial hemp crops; confidential for purposes of IC 5-14-3.

(b) The seed commissioner may share confidential information under subsection (a) with the state police department, and law enforcement officers (as defined in IC 35-31.5-2-185), and federal enforcement officers (as defined in IC 35-31.5-2-129).

SECTION 19. IC 15-15-13-18 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. (a) A person who sells hemp in Indiana must:

(1) be licensed in Indiana and in the jurisdiction where the hemp was grown; and

(2) provide the buyer with a receipt that contains the seller's name, place of business, and license number and quantity of hemp sold.

(b) A person who buys hemp in Indiana must retain the receipt described in subsection (a)(2) for a period of two (2) years.

SECTION 20. IC 15-15-13-19 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 19. (a) Hemp bud (as defined in IC 35-48-1-17.2) and hemp flower (as defined in IC 35-48-1-17.3) may be sold only to a processor licensed under this chapter.

(b) The state seed commissioner may impose a civil penalty under section 13 of this chapter for a violation of subsection (a).

SECTION 21. IC 15-15-13-20 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20. (a) A person who knowingly or intentionally violates:

(1) a term, condition, or requirement of a license issued; or

(2) a rule adopted;

under this chapter is subject to a civil penalty, determined by the state seed commissioner, not to exceed ten thousand dollars (\$10,000) per violation. The state seed commissioner may also revoke the license of a person who violates this subsection.

(b) A person who knowingly or intentionally:

(1) grows hemp;



**(2) handles hemp; or**  
**(3) sells agricultural hemp seed;**  
**not including smokable hemp (as defined by IC 35-48-1-26.6), and**  
**is not licensed under this chapter, commits a Class A misdemeanor.**

SECTION 22. IC 15-15-13-21 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 21. A county, city, town, or township may not adopt or enforce an ordinance restricting or regulating:**

- (1) the growth, production, or processing of hemp; or**
- (2) any subject regulated by this chapter.**

SECTION 23. IC 24-4-21-1, AS ADDED BY P.L.153-2018, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. The following definitions apply throughout this chapter:

- (1) "Certificate of analysis" means a certificate from an independent testing laboratory describing the results of the laboratory's testing of a sample.
- (2) "Independent testing laboratory" means a laboratory:
  - (A) with respect to which no person having a direct or indirect interest in the laboratory also has a direct or indirect interest in a facility that:
    - (i) processes, distributes, or sells low THC hemp extract, or a substantially similar substance in another jurisdiction;
    - (ii) cultivates, processes, distributes, dispenses, or sells marijuana; or
    - (iii) cultivates, processes, or distributes ~~industrial~~ hemp; and
  - (B) that is accredited as a testing laboratory to International Organization for Standardization (ISO) 17025 by a third party accrediting body such as the American Association for Laboratory Accreditation (A2LA) or Assured Calibration and Laboratory Accreditation Select Services (ACLASS).
- (3) "Low THC hemp extract" has the meaning set forth in IC 35-48-1-17.5.

SECTION 24. IC 24-4-21-3, AS ADDED BY P.L.153-2018, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 3. ~~(a) Except as provided in subsection (b);~~ A person may distribute low THC hemp extract in Indiana only if the distributor has a certificate of analysis prepared by an independent testing laboratory showing: ~~that:~~

- (1) ~~that~~ the low THC hemp extract is the product of a batch tested by the independent testing laboratory; ~~and~~





- (2) **that** the independent testing laboratory determined that the batch contained not more than three-tenths percent (0.3%) total delta-9-tetrahydrocannabinol (THC), including precursors, by weight, based on the testing of a random sample of the batch; **and**
- (3) the cannabidiol percent present of the low THC hemp extract.**

(b) Before July 1, 2018, a person may distribute low THC hemp extract in Indiana without having met the requirements described in subsection (a):

SECTION 25. IC 34-30-2-62.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 62.4. IC 15-15-13-9 (Concerning liability of the state police department, a federal law enforcement agency, or a local law enforcement agency for the detention, seizure, or embargo of a hemp crop).**

SECTION 26. IC 35-48-1-17.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 17.2. (a) "Hemp bud" means the harvested immature reproductive organ of the female hemp plant.**

**(b) The term does not include agricultural hemp seed.**

SECTION 27. IC 35-48-1-17.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 17.3. (a) "Hemp flower" means the harvested reproductive organ, whether immature or mature, of the female hemp plant.**

**(b) The term does not include agricultural hemp seed.**

SECTION 28. IC 35-48-1-17.5, AS ADDED BY P.L.153-2018, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 17.5. (a) "Low THC hemp extract" means a substance or compound that:**

- (1) is derived from or contains any part of the plant *Cannabis sativa* L. that meets the definition of ~~industrial~~ hemp under IC 15-15-13-6;
- (2) contains not more than three-tenths percent (0.3%) total delta-9-tetrahydrocannabinol (THC), including precursors, by weight; and
- (3) contains no other controlled substances.

**(b) The term does not include:**

- (1) the harvested reproductive organ, whether immature or mature, of the female hemp plant; or**
- (2) smokable hemp.**

SECTION 29. IC 35-48-1-19, AS AMENDED BY P.L.153-2018,



SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 19. (a) "Marijuana" means any part of the plant genus Cannabis whether growing or not; the seeds thereof; the resin extracted from any part of the plant, including hashish and hash oil; any compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin.

(b) The term does not include:

- (1) the mature stalks of the plant;
- (2) fiber produced from the stalks;
- (3) oil or cake made from the seeds of the plant;
- (4) any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom);
- (5) the sterilized seed of the plant which is incapable of germination;
- (6) ~~industrial~~ hemp (as defined by IC 15-15-13-6); ~~or~~
- (7) low THC hemp extract; **or**
- (8) smokable hemp.**

SECTION 30. IC 35-48-1-26.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 26.6. (a) Except as provided in subsection (b), "smokable hemp" means a product containing not more than three-tenths percent (0.3%) delta-9-tetrahydrocannabinol (THC), including precursors and derivatives of THC, in a form that allows THC to be introduced into the human body by inhalation of smoke. The term includes:**

- (1) hemp bud; and**
- (2) hemp flower.**

**(b) The term does not include:**

- (1) a hemp plant that is; or**
- (2) parts of a hemp plant that are;**

**grown or handled by a licensee for processing or manufacturing into a legal hemp product.**

SECTION 31. IC 35-48-4-10.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 10.1. (a) A person who:**

- (1) knowingly or intentionally:**
  - (A) manufactures;**
  - (B) finances the manufacture of;**
  - (C) delivers;**
  - (D) finances the delivery of; or**
  - (E) possesses;**



**smokable hemp; or**  
**(2) possesses smokable hemp with intent to:**  
**(A) manufacture;**  
**(B) finance the manufacture of;**  
**(C) deliver; or**  
**(D) finance the delivery of;**  
**smokable hemp;**  
**commits dealing in smokable hemp, a Class A misdemeanor.**  
**(b) Subsection (a)(1)(B), (a)(1)(D), (a)(2)(B), and (a)(2)(D) do not**  
**apply to:**  
**(1) a financial institution organized or reorganized under the**  
**laws of Indiana, any other state, or the United States; or**  
**(2) any agency or instrumentality of the state or the United**  
**States.**

SECTION 32. IC 35-48-4-12, AS AMENDED BY P.L.168-2014, SECTION 104, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 12. If a person who has no prior conviction of an offense under this article or under a law of another jurisdiction relating to controlled substances pleads guilty to possession of marijuana, hashish, salvia, **smokable hemp**, or a synthetic drug or a synthetic drug lookalike substance as a misdemeanor, the court, without entering a judgment of conviction and with the consent of the person, may defer further proceedings and place the person in the custody of the court under conditions determined by the court. Upon violation of a condition of the custody, the court may enter a judgment of conviction. However, if the person fulfills the conditions of the custody, the court shall dismiss the charges against the person. There may be only one (1) dismissal under this section with respect to a person.

SECTION 33. IC 35-52-15-2.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 2.5. IC 15-15-13-20 defines a crime concerning hemp regulation.**

SECTION 34. **An emergency is declared for this act.**



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President of the Senate

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President Pro Tempore

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Speaker of the House of Representatives

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Governor of the State of Indiana

Date: \_\_\_\_\_ Time: \_\_\_\_\_

SEA 516 — CC 1



OFFICE OF THE ATTORNEY GENERAL  
STATE OF INDIANA



302 W. WASHINGTON ST. IGCS 5TH FLOOR  
INDIANAPOLIS, IN 46204-2770

**TODD ROKITA**  
ATTORNEY GENERAL

**OFFICIAL OPINION 2023-1**

**QUESTIONS**

**BRIEF ANSWER**

**INTRODUCTION**

*hemp*

*marijuana*

**Cannabis sativa** \_\_\_\_\_ r \_\_\_\_\_

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*Cannabis sativa*

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*Is hemp the same thing as marijuana?*

*Marijuana v. hemp: What's the difference?*

*Hemp on the Horizon: The 2018 Farm Bill and The Future of CBD*

*Supra,*



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*Cannabis sativa*

*Aycock v. State*

*Id.*

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*Growing Industry: The 2018 Farm Bill and Delta-8 THC Legalization*

*supra,* *supra,*

*upra,* *, supra,*  
*, supra,*

*Id*

*upra,* *;* *upra,*  
*Supra,* *see also* *upra,*  
*upra,*

*upra,*

*upra,*  
*upra,*

*Id*

*Id*

*A novel phytocannabinoid isolated from Cannabis sativa L. with an in vivo cannabimimetic activity higher than  $\Delta^9$ -tetrahydrocannabinol:  $\Delta^9$ -Tetrahydrocannabiphorol*

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*Aycock*

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*upra,*  
*Ending the Creation of "Legal" Synthetic Drugs: A Critique of the Controlled Substance  
Analogue Act and Proposed Solutions*

*upra,*  
*upra,*  
*upra,*  
*Id*

*marihuana*  
*Controlled Substances List*

*controlled substance analogue*

*THC*

*Delta-8*

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*supra,*  
*Id.*  
*Id.*  
*Id.*

*supra,*

*upra,*  
*Controlled Substances List supra,*  
*supra,*  
*Id.*

*supra,*

*Cannabis sativa L.*

*hemp*

*marijuana*

*marijuana*

*Cannabis sativa L.*

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*hemp*

*marijuana*

*hemp*

*hemp*

**all synthetically derived THC's remain schedule I**

**controlled substances**



*hemp*

*marijuana*



*Id.*

*Id.*

*Id.*

*Id.*

*Id.*

*supra,*  
*Delta-8-THC craze concerns chemists*

*upra,*  
*upra,*

*Cannabis sativa*

*supra*

*hemp*

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*AK Futures LLC v. Boyd Street Distro, LLC,*

*Id.*

*delta-9*

*Id.*

d r    r    d d                    r

*marijuana*

*hemp-derived*

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*pharmacology with Δ9-THC*

*Review of delta-8-tetrahydrocannabinol (Δ8-THC): Comparative*

*upra,*

*Id.*

*Supra,*

*supra,*

*did*

**ANALYSIS**

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*7 U.S.C. § 1639o*

**“hemp”**

*7 U.S.C. § 1639p(a)(3)*

*7 U.S.C. § 1639p(f)*

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*Id.*

*upra,*

*upra,*

*Id.*

*Id.*



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*Ind. Code § 15-15-13-6*

**“hemp”**

*Ind. Code § 15-15-13-6.5*

**“hemp product”**

*Ind. Code § 35-48-1-9*

**“Controlled substance”**

*Ind. Code § 35-48-1-17.5*

**“Low THC hemp extract”**

*Ind. Code § 35-48-2-4*

**schedule I**

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*supra*

*Cannabis sativa*

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*upra,*  
*Supra,*

*upra,*

*upra,*

*Id.*  
*Supra,*  
*Id.*

*upra,*

*upra,*

*upra,*

*upra,*

*upra,*  
*Id.*

*Cannabis sativa*

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*including synthetic equivalents* *and synthetic*  
*substances, derivatives, and their isomers*

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*upra,*  
*Id.*  
*Id.*

*supra*

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*Cannabis sativa*

*Cannabis sativa*

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*Supra,* *upra,*

*upra,*  
*Id.*

*hemp*

*7 U.S.C. § 1639p(a)(3)*

*hemp*

*marijuana*

*hemp*

*associate[d] state regulations*

*hemp*

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*Controlling Cannabis and the Classification of Delta-8 THC*

*also*

*The 2018 Farm Bill (P.L. 115-334): Summary and Side-by-Side Comparison* *see*

*Id.*  
*Supra,*  
*Id.*

*upra,*

**CONCLUSION**

A handwritten signature in black ink, appearing to read "Todd Roberts". The signature is written in a cursive style with a large, looping initial "T".



**Office of the Prosecuting Attorney**  
**Wayne County, Indiana**  
**17<sup>th</sup> Indiana Judicial Circuit**

---

Michael W. Shipman  
Prosecuting Attorney

301 East Main Street  
Courthouse, Suite 100  
Richmond, IN 47374  
(765) 973-9394  
Fax (765) 973-9298

June 2, 2023

Low Bob's Tobacco  
1723 National Road West  
Richmond, IN 47374

Sir/Madam:

It has come to our attention, either from a tip or perhaps your own advertising, that you have Delta 8 products available for sale at your place of business. The legality of Delta 8 has been a discussion point for some time now for prosecutors and law enforcement across the state.

On January 12, 2023, the Indiana Attorney General's Office issued an official opinion that Tetrahydrocannabinol variants and other designer cannabinoid products (which would include Delta 8) DO fall under the statutory definition of a schedule I controlled substance. I am writing to inform you that if you continue to possess and/or sell those products, you (and/or your employees) could be charged with dealing in a controlled substance under Indiana Code 35-48-4-2. Depending on the weight – that charge could be up to a Level 2 felony which has the possibility of 10-30 years in prison. Continuing to sell those products could also subject you to search warrants, subpoenas, forfeiture proceedings, and all other tools available under the law.

Another product you may have on your shelves is smokeable hemp. It is also not legal in Indiana under I.C. 35-48-4-10.1. There is an exception in the law for CBD products with less than 0.3% THC. That does not, however, include anything with THC that is smokable. Additionally, CBD products are within the definition of "Low THC hemp extract" under I.C. 35-48-1-17.5, which specifically excludes the flower or bud.

Finally, I.C. 35-48-4-10(d)(3) includes a Level 5 felony for a retailer to sell anything they knew or should have known contains more than 0.3% Delta 9 THC packaged as low THC hemp extract.

If you are selling any of those products – and continue to – you are risking legal action from law enforcement and my office. The best course of action is to immediately remove all Delta 8,

Delta 9, Delta 10, Delta X (and any other designer cannabinoid products) and smokeable hemp products from your shelves and do not sell or use them in the future.

Sincerely,

*Michael W. Shipman*

Michael W. Shipman  
Prosecuting Attorney

MWS/ck

Enclosure

Chris Naylor, Executive Director  
Indiana Prosecuting Attorneys Council  
100 W. Washington Street, Box 12-201  
Indianapolis, Indiana 46204

RE: Tetrahydrocannabinol Variants and Other Designer Cannabinoid Products

Dear Superintendent Carter and Mr. Naylor:

You requested an opinion from the Office of the Indiana Attorney General (OAG) regarding whether tetrahydrocannabinol (THC) variants and other designer cannabinoid products are considered controlled substances as that term is defined in Ind. Code § 36-47-2-1(a).

QUESTIONS

1. Can THC variants and other designer cannabinoids be prosecuted under Ind. Code § 36-47-2-1(a) as a controlled substance?
2. What, if any, are THC variants, including but not limited to Delta 9, Delta 10, Delta X, and THF, as well as derivatives and isomers of their respective THC variants, that would be considered controlled substances? "Tetrahydrocannabinol" as defined in Ind. Code § 36-47-2-1(a).

BRIEF ANSWER

Yes, THC variants and other designer cannabinoids are controlled substances under Ind. Code § 36-47-2-1(a) as they are derivatives and isomers of their respective THC variants, which are controlled substances. "Tetrahydrocannabinol" as defined in Ind. Code § 36-47-2-1(a).

**Congress of the United States**  
**Washington, DC 20515**

March 29, 2021

The Honorable Merrick Garland  
Attorney General of the United States  
Department of Justice  
400 6<sup>th</sup> Street, NW  
Washington, DC 20001

The Honorable Thomas J. Vilsack  
Secretary of the Department of Agriculture  
United States Department of Agriculture  
1400 Independence Ave., S.W.  
Washington, DC 20250

Dear Mr. Attorney General and Mr. Secretary:

We are writing to you to express our concern over the serious unintended consequences that could arise from the Drug Enforcement Agency's (DEA) Interim Final Rule (IFR) issued for hemp on August 21, 2020. In order to address these concerns and not cause unnecessary damage to the hemp industry, we encourage the DEA and the U.S. Department of Agriculture (USDA) to collaborate with the hemp industry to resolve the issues raised by the IFR, and to clarify publicly that USDA is the primary Federal agency in charge of regulating the transportation, processing, sale, or use of hemp and in-process hemp extract.

When Congress passed the 2018 Farm Bill, it was our intent to vest primary regulatory authority over the production of hemp with USDA. To that end, USDA issued an Interim Final Rule for the "Establishment of a Domestic Hemp Production Program" more than a year ago and finalized that rule on January 15, 2021. It is our understanding that this final rule, with an effective date of March 22, 2021, is currently being reviewed by the Biden Administration

As leaders on agriculture policy in the U.S. House of Representatives, it is our underlying goal to ensure that Federal regulations concerning hemp are fair, easily understood, and consistent across agencies. When inconsistencies in regulation arise, it is our farmers who are primarily harmed. We believe that stronger collaboration between USDA, DOJ, other Federal agencies, and hemp industry stakeholders could help alleviate many issues impacting our hemp producers.

Congress did not intend the 2018 Farm Bill to criminalize any stage of legal hemp processing, and we are concerned that hemp grown in compliance with a USDA-approved plan could receive undue scrutiny from the DEA as it is being processed into a legal consumer-facing product under this IFR. That is why the 2018 Farm Bill's definition of hemp was broadened from the 2014 Farm Bill's version to include derivatives, extracts, and cannabinoids. It was our intent that derivatives, extracts, and cannabinoids would be legal if these products were in compliance with all other Federal regulations. To highlight our intent, the following report language was included with H.R. 133, the Consolidated Appropriations Act of 2021.

“[t]he USDA shall develop regulations, within existing authority, that protect the transportation, processing, sale, or use of hemp and in-process hemp extract, that may temporarily exceed a delta-9 THC concentration of 0.3%, including in-process hemp extract that was: (1) produced from hemp that meets the definition of hemp under 7 USC §1639o; (2) cultivated in accordance with subtitle G of the Agricultural Marketing Act of 1946 [7 U.S.C. 1639o et seq.] (as added by section 10113 of the Agriculture Improvement Act of 2018) or section 7606 of the Agricultural Act of 2014 [7 USC 5940]; (3) not packaged as a finished product; and (4) not sold or offered for sale as a finished product to consumers.

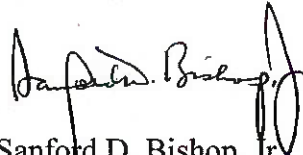
We understand from our constituents that hemp processors have been confused about the legality of their processing operations. Because of this confusion, some processors have halted operations altogether. In addition to economic impacts, we are concerned that the lack of a uniform, risk appropriate Federal regulatory approach will stifle innovation, advancement, and product development in an industry poised for robust growth in the coming years.

To address our concerns, we would hope that your agencies would consider jointly meeting with industry stakeholders to resolve concerns with DEA’s regulations. Given USDA’s current review of its hemp regulations, we believe that this moment presents the best opportunity to ensure consistency across Federal agencies that will ultimately benefit our farmers and hemp-related businesses. Moving forward, we would also request proactive and continued collaboration between your agencies on any future regulatory actions that could impact hemp producers and processors. Thank you for your consideration, and our offices look forward to your timely response.

Sincerely,



David Scott  
Chairman  
House Agriculture Committee



Sanford D. Bishop, Jr.  
Chairman  
House Appropriations Subcommittee on  
Agriculture, Rural Development, Food and  
Drug Administration, and Related Agencies



**U.S. Department of Justice**

Drug Enforcement Administration

8701 Morrissette Drive

Springfield, Virginia 22152

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[www.dea.gov](http://www.dea.gov)

September 15, 2021

Donna C. Yeatman, R.Ph.  
Executive Secretary  
Alabama Board of Pharmacy  
111 Village Street  
Birmingham, Alabama 35242

Dear Dr. Yeatman:

This is in response to your letter dated August 19, 2021, in which you request the control status of delta-8-tetrahydrocannabinol ( $\Delta^8$ -THC) under the Controlled Substances Act (CSA). The Drug Enforcement Administration (DEA) reviewed the CSA and its implementing regulations with regard to the control status of this substance.

$\Delta^8$ -THC is a tetrahydrocannabinol substance contained in the plant *Cannabis sativa L.* and also can be produced synthetically from non-cannabis materials. The CSA classifies tetrahydrocannabinols as controlled in schedule I. 21 U.S.C. 812, Schedule I(c)(17); 21 CFR § 1308.11(d)(31). Subject to limited exceptions, for the purposes of the CSA, the term “tetrahydrocannabinols” means those “naturally contained in a plant of the genus *Cannabis* (cannabis plant), as well as synthetic equivalents of the substances contained in the cannabis plant and/or synthetic substances, derivatives, and their isomers with similar chemical structure and pharmacological activity to those substances contained in the plant.” 21 CFR § 1308.11(d)(31). Thus,  $\Delta^8$ -THC synthetically produced from non-cannabis materials is controlled under the CSA as a “tetrahydrocannabinol.”

The CSA, however, excludes from control “tetrahydrocannabinols in hemp (as defined under section 1639o of Title 7).” Hemp, in turn, is defined as “the plant *Cannabis sativa L.* and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol [ $\Delta^9$ -THC] concentration of not more than 0.3 percent on a dry weight basis.” 7 U.S.C. 1639o(1).

Accordingly, cannabinoids extracted from the cannabis plant that have a  $\Delta^9$ -THC concentration of not more than 0.3 percent on a dry weight basis meet the definition of “hemp” and thus are not controlled under the CSA. Conversely, naturally derived cannabinoids having a  $\Delta^9$ -THC concentration more than 0.3 percent on a dry weight basis is controlled in schedule I under the CSA as tetrahydrocannabinols.<sup>1</sup>

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<sup>1</sup> The Agricultural Improvement Act of 2018 (AIA), Pub. L. 115-334, § 12619, amended the CSA to remove “tetrahydrocannabinols in hemp” from control. See 21 U.S.C. § 812, Schedule I(c)(17). As noted, however, “hemp” is defined to “mean the *plant Cannabis sativa L.* and *any part of that plant*, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9-tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis.” 7 U.S.C. 1639o (emphasis added). Thus, only tetrahydrocannabinol in or derived from the cannabis plant—not synthetic tetrahydrocannabinol—is subject to being excluded from control as a “tetrahydrocannabinol[] in hemp.”



Donna C. Yeatman, R.Ph

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If you have any further questions, please contact the Drug and Chemical Evaluation Section at [DPE@usdoj.gov](mailto:DPE@usdoj.gov) or (571) 362-3249.

Sincerely,

A handwritten signature in black ink, appearing to read 'Terrence L. Boos'.

Terrence L. Boos, Ph.D., Chief  
Drug & Chemical Evaluation Section  
Diversion Control Division

cc: Birmingham Office



Second Regular Session 120th General Assembly (2018)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2017 Regular Session of the General Assembly.

## SENATE ENROLLED ACT No. 52

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AN ACT to amend the Indiana Code concerning criminal law and procedure.

*Be it enacted by the General Assembly of the State of Indiana:*

SECTION 1. IC 6-2.5-8-7, AS AMENDED BY P.L.97-2017, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The department may, for good cause, revoke a certificate issued under section 1, 3, or 4 of this chapter. However, the department must give the certificate holder at least five (5) days notice before it revokes the certificate under this subsection. Good cause for revocation may include the following:

- (1) Failure to:
  - (A) file a return required under this chapter or for any tax collected for the state in trust; or
  - (B) remit any tax collected for the state in trust.
- (2) Being charged with a violation of any provision under IC 35.
- (3) Being subject to a court order under IC 7.1-2-6-7, IC 32-30-6-8, IC 32-30-7, or IC 32-30-8.
- (4) Being charged with a violation of IC 23-15-12.

The department may revoke a certificate before a criminal adjudication or without a criminal charge being filed. If the department gives notice of an intent to revoke based on an alleged violation of subdivision (2), the department shall hold a public hearing to determine whether good cause exists. If the department finds in a public hearing by a preponderance of the evidence that a person has committed a violation

SEA 52 — CC 1



described in subdivision (2), the department shall proceed in accordance with subsection (i) (if the violation resulted in a criminal conviction) or subsection (j) (if the violation resulted in a judgment for an infraction).

(b) The department shall revoke a certificate issued under section 1, 3, or 4 of this chapter if, for a period of three (3) years, the certificate holder fails to:

- (1) file the returns required by IC 6-2.5-6-1; or
- (2) report the collection of any state gross retail or use tax on the returns filed under IC 6-2.5-6-1.

However, the department must give the certificate holder at least five (5) days notice before it revokes the certificate.

(c) The department may, for good cause, revoke a certificate issued under section 1 of this chapter after at least five (5) days notice to the certificate holder if:

- (1) the certificate holder is subject to an innkeeper's tax under IC 6-9; and
- (2) a board, bureau, or commission established under IC 6-9 files a written statement with the department.

(d) The statement filed under subsection (c) must state that:

- (1) information obtained by the board, bureau, or commission under IC 6-8.1-7-1 indicates that the certificate holder has not complied with IC 6-9; and
- (2) the board, bureau, or commission has determined that significant harm will result to the county from the certificate holder's failure to comply with IC 6-9.

(e) The department shall revoke or suspend a certificate issued under section 1 of this chapter after at least five (5) days notice to the certificate holder if:

- (1) the certificate holder owes taxes, penalties, fines, interest, or costs due under IC 6-1.1 that remain unpaid at least sixty (60) days after the due date under IC 6-1.1; and
- (2) the treasurer of the county to which the taxes are due requests the department to revoke or suspend the certificate.

(f) The department shall reinstate a certificate suspended under subsection (e) if the taxes and any penalties due under IC 6-1.1 are paid or the county treasurer requests the department to reinstate the certificate because an agreement for the payment of taxes and any penalties due under IC 6-1.1 has been reached to the satisfaction of the county treasurer.

(g) The department shall revoke a certificate issued under section 1 of this chapter after at least five (5) days notice to the certificate



holder if the department finds in a public hearing by a preponderance of the evidence that the certificate holder has violated IC 35-45-5-3, IC 35-45-5-3.5, or IC 35-45-5-4.

(h) If a person makes a payment for the certificate under section 1 or 3 of this chapter with a check, credit card, debit card, or electronic funds transfer, and the department is unable to obtain payment of the check, credit card, debit card, or electronic funds transfer for its full face amount when the check, credit card, debit card, or electronic funds transfer is presented for payment through normal banking channels, the department shall notify the person by mail that the check, credit card, debit card, or electronic funds transfer was not honored and that the person has five (5) days after the notice is mailed to pay the fee in cash, by certified check, or other guaranteed payment. If the person fails to make the payment within the five (5) day period, the department shall revoke the certificate.

(i) If the department finds in a public hearing by a preponderance of the evidence that a person has a conviction for a violation of IC 35-48-4-10.5 and the conviction involved the sale of or the offer to sell, in the normal course of business, a synthetic drug or a synthetic drug lookalike substance by a retail merchant in a place of business for which the retail merchant has been issued a registered retail merchant certificate under section 1 of this chapter, the department:

(1) shall suspend the registered retail merchant certificate for the place of business for one (1) year; and

(2) may not issue another retail merchant certificate under section 1 of this chapter for one (1) year to any person:

(A) that:

(i) applied for; or

(ii) made a retail transaction under;

the retail merchant certificate suspended under subdivision (1); or

(B) that:

(i) owned or co-owned, directly or indirectly; or

(ii) was an officer, a director, a manager, or a partner of;

the retail merchant that was issued the retail merchant certificate suspended under subdivision (1).

(j) If the department finds in a public hearing by a preponderance of the evidence that a person has a judgment for a violation of IC 35-48-4-10.5 as an infraction and the violation involved the sale of or the offer to sell, in the normal course of business, a synthetic drug or a synthetic drug lookalike substance by a retail merchant in a place of business for which the retail merchant has been issued a registered



retail merchant certificate under section 1 of this chapter, the department:

- (1) may suspend the registered retail merchant certificate for the place of business for six (6) months; and
- (2) may withhold issuance of another retail merchant certificate under section 1 of this chapter for six (6) months to any person:
  - (A) that:
    - (i) applied for; or
    - (ii) made a retail transaction under;the retail merchant certificate suspended under subdivision (1); or
  - (B) that:
    - (i) owned or co-owned, directly or indirectly; or
    - (ii) was an officer, a director, a manager, or a partner of;the retail merchant that was issued the retail merchant certificate suspended under subdivision (1).

**(k) If the department finds in a public hearing by a preponderance of the evidence that a person has a conviction for a violation of IC 35-48-4-10(d)(3) and the conviction involved an offense committed by a retail merchant in a place of business for which the retail merchant has been issued a registered retail merchant certificate under section 1 of this chapter, the department:**

- (1) shall suspend the registered retail merchant certificate for the place of business for one (1) year; and**
- (2) may not issue another retail merchant certificate under section 1 of this chapter for one (1) year to any person:**
  - (A) that:**
    - (i) applied for; or**
    - (ii) made a retail transaction under;**the retail merchant certificate suspended under subdivision (1); or
  - (B) that:**
    - (i) owned or co-owned, directly or indirectly; or**
    - (ii) was an officer, a director, a manager, or a partner of;**the retail merchant that was issued the retail merchant certificate suspended under subdivision (1).

SECTION 2. IC 16-18-2-45.5 IS REPEALED [EFFECTIVE UPON PASSAGE]. Sec. 45.5: "Cannabidiol", for purposes of IC 16-42-28.6; has the meaning set forth in IC 16-42-28.6-1.

SECTION 3. IC 16-18-2-48.7 IS REPEALED [EFFECTIVE UPON PASSAGE]. Sec. 48.7: "Caregiver", for purposes of IC 16-42-28.6; has



~~the meaning set forth in IC 16-42-28.6-2.~~

SECTION 4. IC 16-18-2-272, AS AMENDED BY P.L.188-2017, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 272. (a) "Patient", for purposes of IC 16-27-1, has the meaning set forth in IC 16-27-1-6.

(b) "Patient", for purposes of IC 16-28 and IC 16-29, means an individual who has been accepted and assured care by a health facility.

(c) "Patient", for purposes of IC 16-36-1.5, has the meaning set forth in IC 16-36-1.5-3.

(d) "Patient", for purposes of IC 16-39, means an individual who has received health care services from a provider for the examination, treatment, diagnosis, or prevention of a physical or mental condition.

~~(e) "Patient", for purposes of IC 16-42-28.6, has the meaning set forth in IC 16-42-28.6-3.~~

SECTION 5. IC 16-18-2-282, AS AMENDED BY P.L.188-2017, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 282. (a) "Physician", except as provided in subsections (b) **and (c), through (d)**, means a licensed physician (as defined in section 202 of this chapter).

(b) "Physician", for purposes of IC 16-41-12, has the meaning set forth in IC 16-41-12-7.

(c) "Physician", for purposes of IC 16-37-1-3.1 and IC 16-37-3-5, means an individual who:

(1) was the physician last in attendance (as defined in section 282.2 of this chapter); or

(2) is licensed under IC 25-22.5.

~~(d) "Physician", for purposes of IC 16-42-28.6, has the meaning set forth in IC 16-42-28.6-4.~~

~~(e)~~ **(d)** "Physician", for purposes of IC 16-48-1, is subject to IC 16-48-1-2.

SECTION 6. IC 16-18-2-342.6 IS REPEALED [EFFECTIVE UPON PASSAGE]. Sec. 342.6. ~~"Substance containing cannabidiol"; for purposes of IC 16-42-28.6, has the meaning set forth in IC 16-42-28.6-5.~~

SECTION 7. IC 16-18-2-354.7 IS REPEALED [EFFECTIVE UPON PASSAGE]. Sec. 354.7. ~~"Treatment resistant epilepsy"; for purposes of IC 16-42-28.6, has the meaning set forth in IC 16-42-28.6-6.~~

SECTION 8. IC 16-42-28.6 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Drugs: Use of Cannabidiol for the Treatment of Epilepsy).

SECTION 9. IC 24-4-21 IS ADDED TO THE INDIANA CODE AS



A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

**Chapter 21. Distribution of Low THC Hemp Extract**

**Sec. 1. The following definitions apply throughout this chapter:**

(1) "Certificate of analysis" means a certificate from an independent testing laboratory describing the results of the laboratory's testing of a sample.

(2) "Independent testing laboratory" means a laboratory:

(A) with respect to which no person having a direct or indirect interest in the laboratory also has a direct or indirect interest in a facility that:

(i) processes, distributes, or sells low THC hemp extract, or a substantially similar substance in another jurisdiction;

(ii) cultivates, processes, distributes, dispenses, or sells marijuana; or

(iii) cultivates, processes, or distributes industrial hemp; and

(B) that is accredited as a testing laboratory to International Organization for Standardization (ISO) 17025 by a third party accrediting body such as the American Association for Laboratory Accreditation (A2LA) or Assured Calibration and Laboratory Accreditation Select Services (ACLASS).

(3) "Low THC hemp extract" has the meaning set forth in IC 35-48-1-17.5.

**Sec. 2. A person may distribute low THC hemp extract in Indiana only if the product:**

(1) has been approved by the federal Food and Drug Administration or the federal Drug Enforcement Agency as a prescription or over the counter drug; or

(2) meets the requirements of this chapter.

**Sec. 3. (a) Except as provided in subsection (b), a person may distribute low THC hemp extract in Indiana only if the distributor has a certificate of analysis prepared by an independent testing laboratory showing that:**

(1) the low THC hemp extract is the product of a batch tested by the independent testing laboratory; and

(2) the independent testing laboratory determined that the batch contained not more than three-tenths percent (0.3%) total delta-9-tetrahydrocannabinol (THC), including precursors, by weight, based on the testing of a random





sample of the batch.

(b) Before July 1, 2018, a person may distribute low THC hemp extract in Indiana without having met the requirements described in subsection (a).

Sec. 4. (a) Except as provided in subsection (b), low THC hemp extract must be distributed in packaging that contains the following information:

(1) A scannable bar code or QR code linked to a document that contains information with respect to the manufacture of the low THC hemp extract, including the:

(A) batch identification number;

(B) product name;

(C) batch date;

(D) expiration date, which must be not more than two (2) years from the date of manufacture;

(E) batch size;

(F) total quantity produced;

(G) ingredients used, including the:

(i) ingredient name;

(ii) name of the company that manufactured the ingredient;

(iii) company or product identification number or code, if applicable; and

(iv) ingredient lot number; and

(H) download link for a certificate of analysis for the low THC hemp extract.

(2) The batch number.

(3) The Internet address of a web site to obtain batch information.

(4) The expiration date.

(5) The number of milligrams of low THC hemp extract.

(6) The manufacturer.

(7) The fact that the product contains not more than three-tenths percent (0.3%) total delta-9-tetrahydrocannabinol (THC), including precursors, by weight.

(b) Before July 1, 2018, low THC hemp extract may be distributed in Indiana without having met the requirements described in subsection (a).

Sec. 5. This section applies after June 30, 2018. A person who distributes low THC hemp extract in violation of this chapter commits a Class B infraction. However, the offense is a Class A



**infraction if the person has a prior unrelated judgment for a violation of this chapter. These penalties are in addition to any criminal penalties that may be imposed for unlawful possession or distribution of a controlled substance.**

SECTION 10. IC 24-4-22 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

**Chapter 22. Low THC Hemp Extract Sales**

**Sec. 1. The following definitions apply throughout this chapter:**

- (1) "Certificate of analysis" has the meaning set forth in IC 24-4-21-1.**
- (2) "Low THC hemp extract" has the meaning set forth in IC 35-48-1-17.5.**

**Sec. 2. This chapter does not apply to the sale of a product that has been approved by the federal Food and Drug Administration or the federal Drug Enforcement Agency as a prescription or over the counter drug.**

**Sec. 3. (a) Except as provided in subsection (b), a person may sell low THC hemp extract at retail only if the packaging complies with the requirements of IC 24-4-21-4.**

**(b) Before July 1, 2018, a person may sell low THC hemp extract at retail even if the packaging does not comply with the requirements of IC 24-4-21-4.**

**Sec. 4. This section applies after June 30, 2018. A person who violates section 3 of this chapter commits a Class C infraction. However, the violation is a Class B infraction if the person has one (1) prior unrelated judgment for a violation of section 3 of this chapter, and a Class A infraction if the person has two (2) or more prior unrelated judgments for a violation of section 3 of this chapter. These penalties are in addition to any criminal penalties that may be imposed for unlawful possession or distribution of a controlled substance.**

SECTION 11. IC 35-31.5-2-33.5 IS REPEALED [EFFECTIVE UPON PASSAGE]. **Sec. 33.5. "Cannabidiol", for purposes of IC 35-48, has the meaning set forth in IC 35-48-1-6.5.**

SECTION 12. IC 35-31.5-2-150.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 150.5. "Hashish", for purposes of IC 35-48, has the meaning set forth in IC 35-48-1-16.8.**

SECTION 13. IC 35-31.5-2-150.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 150.6. "Hash oil", for**



**purposes of IC 35-48, has the meaning set forth in IC 35-48-1-16.9.**

SECTION 14. IC 35-31.5-2-189.9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 189.9. "Low THC hemp extract", for purposes of IC 35-48, has the meaning set forth in IC 35-48-1-17.5.**

SECTION 15. IC 35-31.5-2-316.9 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 316.9. "Substance containing cannabidiol", for purposes of IC 35-48, has the meaning set forth in IC 35-48-1-26.7.~~

SECTION 16. IC 35-48-1-6.5 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 6.5. "Cannabidiol" has the meaning set forth in IC 16-42-28.6-1.~~

SECTION 17. IC 35-48-1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. "Controlled substance" means a drug, substance, or immediate precursor in schedule I, II, III, IV, or V under:

- (1) IC 35-48-2-4, IC 35-48-2-6, IC 35-48-2-8, IC 35-48-2-10, or IC 35-48-2-12, if IC 35-48-2-14 does not apply; or
- (2) a rule adopted by the board, if IC 35-48-2-14 applies.

**The term does not include low THC hemp extract.**

SECTION 18. IC 35-48-1-9.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.3. (a) "Controlled substance analog" means a substance:

- (1) the chemical structure of which is substantially similar to that of a controlled substance included in schedule I or II and that has;  
or
- (2) that a person represents or intends to have;

a narcotic, stimulant, depressant, or hallucinogenic effect on the central nervous system substantially similar to or greater than the narcotic, stimulant, depressant, or hallucinogenic effect on the central nervous system of a controlled substance included in schedule I or II.

(b) The definition set forth in subsection (a) does not include:

- (1) a controlled substance;
- (2) a substance for which there is an approved new drug application;
- (3) a substance for which an exemption is in effect for investigational use by a person under Section 505 of the federal Food, Drug and Cosmetic Act (chapter 675, 52 Stat. 1052 (21 U.S.C. 355)), to the extent that conduct with respect to the substance is permitted under the exemption; ~~or~~
- (4) a substance to the extent not intended for human consumption before an exemption takes effect regarding the substance; ~~or~~



**(5) low THC hemp extract.**

SECTION 19. IC 35-48-1-16.8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 16.8. "Hashish" does not include low THC hemp extract.**

SECTION 20. IC 35-48-1-16.9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 16.9. "Hash oil" does not include low THC hemp extract.**

SECTION 21. IC 35-48-1-17.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 17.5. "Low THC hemp extract" means a substance or compound that:**

- (1) is derived from or contains any part of the plant Cannabis sativa L. that meets the definition of industrial hemp under IC 15-15-13-6;**
- (2) contains not more than three-tenths percent (0.3%) total delta-9-tetrahydrocannabinol (THC), including precursors, by weight; and**
- (3) contains no other controlled substances.**

SECTION 22. IC 35-48-1-19, AS AMENDED BY P.L.165-2014, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 19. (a) "Marijuana" means any part of the plant genus Cannabis whether growing or not; the seeds thereof; the resin extracted from any part of the plant, including hashish and hash oil; any compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin.**

**(b) The term does not include:**

- (1) the mature stalks of the plant;**
- (2) fiber produced from the stalks;**
- (3) oil or cake made from the seeds of the plant;**
- (4) any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom);**
- (5) the sterilized seed of the plant which is incapable of germination; or**
- (6) industrial hemp (as defined by IC 15-15-13-6); or**
- (7) low THC hemp extract.**

SECTION 23. IC 35-48-1-26.7 IS REPEALED [EFFECTIVE UPON PASSAGE]. **Sec. 26.7. "Substance containing cannabidiol" has the meaning set forth in IC 16-42-28.6-5.**

SECTION 24. IC 35-48-4-8.5, AS AMENDED BY P.L.188-2017,



SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.5. (a) A person who keeps for sale, offers for sale, delivers, or finances the delivery of a raw material, an instrument, a device, or other object that is intended to be or that is designed or marketed to be used primarily for:

- (1) ingesting, inhaling, or otherwise introducing into the human body marijuana, hash oil, hashish, salvia, a synthetic drug, or a controlled substance;
- (2) testing the strength, effectiveness, or purity of marijuana, hash oil, hashish, salvia, a synthetic drug, or a controlled substance;
- (3) enhancing the effect of a controlled substance;
- (4) manufacturing, compounding, converting, producing, processing, or preparing marijuana, hash oil, hashish, salvia, a synthetic drug, or a controlled substance;
- (5) diluting or adulterating marijuana, hash oil, hashish, salvia, a synthetic drug, or a controlled substance by individuals; or
- (6) any purpose announced or described by the seller that is in violation of this chapter;

commits a Class A infraction for dealing in paraphernalia.

(b) A person who knowingly or intentionally violates subsection (a) commits a Class A misdemeanor. However, the offense is a Level 6 felony if the person has a prior unrelated judgment or conviction under this section.

(c) This section does not apply to the following:

- (1) Items marketed for use in the preparation, compounding, packaging, labeling, or other use of marijuana, hash oil, hashish, salvia, a synthetic drug, or a controlled substance as an incident to lawful research, teaching, or chemical analysis and not for sale.
- (2) Items marketed for or historically and customarily used in connection with the planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, containing, concealing, injecting, ingesting, or inhaling of tobacco or any other lawful substance. ~~excluding the lawful possession of a substance containing cannabidiol under IC 35-48-4-11.~~
- (3) A qualified entity (as defined in IC 16-41-7.5-3) that provides a syringe or needle as part of a program under IC 16-41-7.5.
- (4) Any entity or person that provides funding to a qualified entity (as defined in IC 16-41-7.5-3) to operate a program described in IC 16-41-7.5.

SECTION 25. IC 35-48-4-10, AS AMENDED BY P.L.44-2016,



SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) A person who:

(1) knowingly or intentionally:

- (A) manufactures;
- (B) finances the manufacture of;
- (C) delivers; or
- (D) finances the delivery of;

marijuana, hash oil, hashish, or salvia, pure or adulterated; or

(2) possesses, with intent to:

- (A) manufacture;
- (B) finance the manufacture of;
- (C) deliver; or
- (D) finance the delivery of;

marijuana, hash oil, hashish, or salvia, pure or adulterated;

commits dealing in marijuana, hash oil, hashish, or salvia, a Class A misdemeanor, except as provided in subsections (b) through (d).

(b) A person may be convicted of an offense under subsection (a)(2) only if:

(1) there is evidence in addition to the weight of the drug that the person intended to manufacture, finance the manufacture of, deliver, or finance the delivery of the drug; or

(2) the amount of the drug involved is at least:

- (A) ten (10) pounds, if the drug is marijuana; or
- (B) three hundred (300) grams, if the drug is hash oil, hashish, or salvia.

(c) The offense is a Level 6 felony if:

(1) the person has a prior conviction for a drug offense and the amount of the drug involved is:

- (A) less than thirty (30) grams of marijuana; or
- (B) less than five (5) grams of hash oil, hashish, or salvia; or

(2) the amount of the drug involved is:

- (A) at least thirty (30) grams but less than ten (10) pounds of marijuana; or
- (B) at least five (5) grams but less than three hundred (300) grams of hash oil, hashish, or salvia.

(d) The offense is a Level 5 felony if:

(1) the person has a prior conviction for a drug dealing offense and the amount of the drug involved is:

- (A) at least thirty (30) grams but less than ten (10) pounds of marijuana; or
- (B) at least five (5) grams but less than three hundred (300) grams of hash oil, hashish, or salvia; or





(2) the:

(A) amount of the drug involved is:

- (i) at least ten (10) pounds of marijuana; or
- (ii) at least three hundred (300) grams of hash oil, hashish, or salvia; or

(B) offense involved a sale to a minor; **or**

**(3) the:**

**(A) person is a retailer;**

**(B) marijuana, hash oil, hashish, or salvia is packaged in a manner that appears to be low THC hemp extract; and**

**(C) person knew or reasonably should have known that the product was marijuana, hash oil, hashish, or salvia.**

SECTION 26. IC 35-48-4-11, AS AMENDED BY P.L.188-2017, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) A person who:

- (1) knowingly or intentionally possesses (pure or adulterated) marijuana, hash oil, hashish, or salvia;
- (2) knowingly or intentionally grows or cultivates marijuana; or
- (3) knowing that marijuana is growing on the person's premises, fails to destroy the marijuana plants;

commits possession of marijuana, hash oil, hashish, or salvia, a Class B misdemeanor, except as provided in subsections (b) through (c).

(b) The offense described in subsection (a) is a Class A misdemeanor if:

**(1) the person has a prior conviction for a drug offense; or**

**(2) the:**

**(A) marijuana, hash oil, hashish, or salvia is packaged in a manner that appears to be low THC hemp extract; and**

**(B) person knew or reasonably should have known that the product was marijuana, hash oil, hashish, or salvia.**

(c) The offense described in subsection (a) is a Level 6 felony if:

(1) the person has a prior conviction for a drug offense; and

(2) the person possesses:

(A) at least thirty (30) grams of marijuana; or

(B) at least five (5) grams of hash oil, hashish, or salvia.

~~(d) It is a defense to a prosecution under subsection (a)(1) based on the possession of a substance containing cannabidiol that:~~

~~(1) the person is a patient or caregiver registered under~~

~~IC 16-42-28.6 for the use of a substance containing cannabidiol;~~

~~(2) the person reasonably believed that the substance possessed by the person was a substance containing cannabidiol; and~~

~~(3) the substance containing cannabidiol is packaged in a~~



container labeled with the origin, volume, and concentration by weight of total THC, including its precursors and derivatives, and cannabidiol.

(e) It is a defense to a prosecution under this section based on the possession of a substance containing cannabidiol that:

(1) the substance containing cannabidiol has been approved by the federal Food and Drug Administration or the federal Drug Enforcement Agency as a prescription drug; and

(2) the substance was prescribed and dispensed in accordance with the federal approval described in subdivision (1):

**SECTION 27. [EFFECTIVE UPON PASSAGE] (a) The following definitions apply throughout this SECTION:**

**(1) "Industrial hemp" means:**

**(A) all nonseed parts and varieties of the Cannabis sativa plant, including resins, whether growing or not, that contain a crop wide average tetrahydrocannabinol (THC) concentration that does not exceed three-tenths of one percent (0.3%) on a dry weight basis; or**

**(B) any Cannabis sativa seed that is:**

**(i) part of a growing crop;**

**(ii) retained by a grower for future planting; or**

**(iii) for processing into, or use as, agricultural hemp seed.**

**(2) "Industrial hemp product" means any product that is derived from or contains derivatives of industrial hemp that is cultivated in:**

**(A) Indiana; or**

**(B) another jurisdiction.**

The term includes, without limitation, raw oils and fibers, food and supplement products, cosmetics, construction materials, hurds, products containing cannabinoids regardless of concentration, and any other product derived from industrial hemp as defined in this chapter.

**(3) "Low THC hemp extract" has the meaning set forth in IC 35-48-1-17.5.**

**(b) The legislative council is urged to assign to an appropriate interim study committee the task of studying the regulation of industrial hemp, industrial hemp products, and the manufacture of low THC hemp extract.**

**(c) If the task described in subsection (b) is assigned to an interim study committee, the committee:**

**(1) may not study legalizing medical marijuana; and**



**(2) shall consider the following:**

**(A) The methods, tools, and resources necessary to regulate industrial hemp and industrial hemp products.**

**(B) The federal laws related to industrial hemp and industrial hemp products and what is permissible under federal law.**

**(C) A comparison of other states that regulate industrial hemp and industrial hemp products, including a study of the effectiveness of the statutory regulation of those states.**

**(D) The necessary costs, staff, and resources required to regulate industrial hemp, industrial hemp products, and the manufacture of low THC hemp extract.**

**(E) Inspection of low THC hemp extract manufacturing facilities.**

**(F) The criminal penalties necessary to regulate industrial hemp, industrial hemp products, and the manufacture of low THC hemp extract.**

**(d) This SECTION expires January 1, 2019.**

**SECTION 29. An emergency is declared for this act.**



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President of the Senate

---

President Pro Tempore

---

Speaker of the House of Representatives

---

Governor of the State of Indiana

Date: \_\_\_\_\_ Time: \_\_\_\_\_

SEA 52 — CC 1



CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS
3C, LLC d/b/a 3Chi
Midwest Hemp Council, Inc.
(b) County of Residence of First Listed Plaintiff Marion
(c) Attorneys (Firm Name, Address, and Telephone Number)
Paul D. Vink, Justin E. Swanson, and Tyler J. Moorhead
Bose McKinney & Evans, LLP, 111 Monument Circle, Suite 2700, Indianapolis IN 46204. (317) 684-5000

DEFENDANTS
Attorney General Todd Rokita, in his official capacity
The State of Indiana
County of Residence of First Listed Defendant
NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.
Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)
1 U.S. Government Plaintiff
2 U.S. Government Defendant
3 Federal Question (U.S. Government Not a Party)
4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)
PTF DEF
Citizen of This State 1 1
Citizen of Another State 2 2
Citizen or Subject of a Foreign Country 3 3
Incorporated or Principal Place of Business In This State 4 4
Incorporated and Principal Place of Business In Another State 5 5
Foreign Nation 6 6

IV. NATURE OF SUIT (Place an "X" in One Box Only) Click here for: Nature of Suit Code Descriptions.

Table with columns: CONTRACT, REAL PROPERTY, CIVIL RIGHTS, TORTS, PRISONER PETITIONS, HABES CORPUS, FORFEITURE/PENALTY, LABOR, IMMIGRATION, BANKRUPTCY, INTELLECTUAL PROPERTY RIGHTS, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES.

V. ORIGIN (Place an "X" in One Box Only)
1 Original Proceeding
2 Removed from State Court
3 Remanded from Appellate Court
4 Reinstated or Reopened
5 Transferred from Another District (specify)
6 Multidistrict Litigation - Transfer
8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION
Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
28 U.S.C. §§ 2201 and 2202
Brief description of cause:
Request for declaratory judgment and preliminary injunctive relief regarding Attorney General's Official Opinion 2023-1

VII. REQUESTED IN COMPLAINT:
CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$
CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY (See instructions):
JUDGE DOCKET NUMBER

DATE June 26, 2023 SIGNATURE OF ATTORNEY OF RECORD Paul D. Vink

FOR OFFICE USE ONLY
RECEIPT # AMOUNT APPLYING IFP JUDGE MAG. JUDGE

**IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF INDIANA  
INDIANAPOLIS DIVISION**

3C, LLC d/b/a 3Chi, and	)	
MIDWEST HEMP COUNCIL, INC.,	)	CASE NO. 1:23-cv-1115
	)	
Plaintiffs,	)	
	)	
vs.	)	
	)	
ATTORNEY GENERAL TODD ROKITA,	)	
in his official capacity, and	)	
THE STATE OF INDIANA,	)	
	)	
Defendants.	)	

**SUMMONS IN A CIVIL ACTION**

TO: State of Indiana  
c/o Eric Holcomb, Governor, in his capacity as Chief Executive Officer of the State  
200 W. Washington St., Rm. 206  
Indianapolis, IN 46204

A lawsuit has been filed against you. Within 21 days after service of this summons on you (not counting the day you received it) – or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) – you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff’s attorney, whose name and address are:

Paul D. Vink, Esq.  
Justin E. Swanson, Esq.  
Tyler J. Moorhead  
Bose McKinney & Evans LLP  
111 Monument Circle, Suite 2700  
Indianapolis, IN 46204

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

*CLERK OF COURT*

Date: \_\_\_\_\_

\_\_\_\_\_  
*Signature of Clerk or Deputy Clerk*



Civil Action Number:

**PROOF OF SERVICE**

*(this section should not be filed with the court unless required by Fed. R. Civ. P. 4(l))*

This summons for *(name of individual and title, if any)* \_\_\_\_\_  
was received by me on *(date)* \_\_\_\_\_.

I personally served the summons on the individual at *(place)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_; or

I left the summons at the individual's residence or usual place of abode with *(name)* \_\_\_\_\_  
\_\_\_\_\_, a person of suitable age and discretion who resides there,  
on *(date)* \_\_\_\_\_, and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* \_\_\_\_\_, who is  
designated by law to accept service of process on behalf of *(name of organization)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_; or

I returned the summons unexecuted because \_\_\_\_\_; or

Other *(specify)*:

My fees are \$ \_\_\_\_\_ for travel and \$ \_\_\_\_\_ for services, for a total of \$ \_\_\_\_\_.

I declare under penalty of perjury that this information is true.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Server's Signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Server's address*

Additional information regarding attempted service, etc.

**IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF INDIANA  
INDIANAPOLIS DIVISION**

3C, LLC d/b/a 3Chi, and	)	
MIDWEST HEMP COUNCIL, INC.,	)	CASE NO. 1:23-cv-1115
	)	
Plaintiffs,	)	
	)	
vs.	)	
	)	
ATTORNEY GENERAL TODD ROKITA,	)	
in his official capacity, and	)	
THE STATE OF INDIANA,	)	
	)	
Defendants.	)	

**SUMMONS IN A CIVIL ACTION**

TO: Indiana Attorney General, Todd Rokita  
Indiana Government Center South  
302 W. Washington Street, Fifth Floor  
Indianapolis, IN 46204-2770

A lawsuit has been filed against you. Within 21 days after service of this summons on you (not counting the day you received it) – or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) – you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff’s attorney, whose name and address are:

Paul D. Vink, Esq.  
Justin E. Swanson, Esq.  
Tyler J. Moorhead  
Bose McKinney & Evans LLP  
111 Monument Circle, Suite 2700  
Indianapolis, IN 46204

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

*CLERK OF COURT*

Date: \_\_\_\_\_

\_\_\_\_\_  
*Signature of Clerk or Deputy Clerk*

Civil Action Number:

**PROOF OF SERVICE**

*(this section should not be filed with the court unless required by Fed. R. Civ. P. 4(l))*

This summons for *(name of individual and title, if any)* \_\_\_\_\_  
was received by me on *(date)* \_\_\_\_\_.

I personally served the summons on the individual at *(place)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_; or

I left the summons at the individual's residence or usual place of abode with *(name)* \_\_\_\_\_  
\_\_\_\_\_, a person of suitable age and discretion who resides there,  
on *(date)* \_\_\_\_\_, and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* \_\_\_\_\_, who is  
designated by law to accept service of process on behalf of *(name of organization)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_; or

I returned the summons unexecuted because \_\_\_\_\_; or

Other *(specify)*:

My fees are \$ \_\_\_\_\_ for travel and \$ \_\_\_\_\_ for services, for a total of \$ \_\_\_\_\_.

I declare under penalty of perjury that this information is true.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Server's Signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Server's address*

Additional information regarding attempted service, etc.