

# The House Agriculture Committee's 2018 Farm Bill (H.R. 2): A Side-by-Side Comparison with Current Law

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# **Summary**

Congress sets national food and agriculture policy through periodic omnibus farm bills. The 115<sup>th</sup> Congress has the opportunity to establish the future direction of farm and food policy because many of the provisions in the current farm bill (the Agricultural Act of 2014, P.L. 113-79) expire in 2018. The 2014 farm bill addresses a broad range of farm and food programs and policies, including commodity support, crop insurance, conservation, domestic food assistance, trade and food aid, credit, rural development, research, horticulture, forestry, and bioenergy, among others.

On June 21, 2018, the House voted 213-211 to approve H.R. 2, the Agriculture and Nutrition Act of 2018, an omnibus farm bill that would establish farm and food policy for the next five years, covering FY2019-FY2023. The vote to approve H.R. 2 followed a failed vote of 198-213 on the same bill on May 18, 2018. The final passage vote of June 21 occurred after a vote of 233-191 approving a motion to reconsider, which was made following the unsuccessful vote on final passage of May 18.

In terms of cost, the most recent Congressional Budget Office (CBO) score of the programs in the bill with mandatory spending, such as nutrition programs, commodity support programs, major conservation programs, and crop insurance, amounts to \$867 billion over a 10-year budget window (FY2019-FY2028). This amount is equivalent to CBO's baseline scenario in which existing farm bill programs would be extended with no changes.

H.R. 2 would reauthorize most existing programs for five years through FY2023. Overall, the bill provides continuity with the existing framework of farm and food programs even as it modifies numerous programs, alters the amount and type of program funding certain programs receive, and exercises the committee's discretion not to reauthorize others.

Among its many policy provisions, H.R. 2 would make changes to the eligibility requirements for individuals participating in the Supplemental Nutrition Assistance Program (SNAP), including expanding the population that is subject to work requirements, while requiring states to offer employment or training opportunities and increasing funding to the states for those purposes. Among the changes to commodity programs, an escalator provision could raise the effective reference price for crops enrolled in the Price Loss Coverage program (PLC) under certain market conditions. H.R. 2 would also amend payment limits and the adjusted gross income limit on eligibility for farm program payments to expand the list of producer exemptions from payment and income limits. Payment limits on certain disaster assistance programs would also be raised. The Dairy Margin Protection Program for milk producers is recast as the Dairy Risk Management Program, featuring an expanded range of coverage choices and lower premium rates on the first 5 million pounds of annual milk production.

Within the conservation title, H.R. 2 would repeal the Conservation Stewardship Program (CSP), which has an enrollment of 70 million acres, and uses some of the savings to increase funding for the Environmental Quality Incentives Program (EQIP). It also raises the acreage enrollment limit under the Conservation Reserve Program (CRP). The bill further increases the loan limits for guaranteed farm ownership and operating loans. Bioenergy programs that comprise a separate title in the 2014 farm bill are included in a title on rural infrastructure and economic development. Also, while many of these bioenergy programs are currently authorized for mandatory funding in addition to being authorized for discretionary funds, H.R. 2 authorizes only discretionary funding.

For rural communities, the bill authorizes the Secretary of Agriculture to reprioritize certain loan and grant programs to respond to specific health emergencies and to develop prevention, treatment, and recovery services. It would also require the Secretary to promulgate minimum acceptable standards for broadband service from the present day up to 30 years into the future.

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# Introduction

Congress has been active in establishing federal policy for the agricultural sector on an ongoing basis since the 1930s. Over the years, as economic conditions and technology have evolved, Congress has regularly revisited agricultural policy through periodic farm legislation. Over these decades, the breadth of policy areas addressed through such farm bills has expanded beyond providing support for a limited number of agricultural commodities to include establishing programs and policies that address a spectrum of related areas, such as agricultural conservation, credit, rural development, domestic nutrition assistance, trade and international food aid, organic agriculture, and support for beginning and veteran farmers and ranchers, among others.

On June 21, 2018, the House voted 213-211 to approve H.R. 2, the Agriculture and Nutrition Act of 2018, an omnibus farm bill that would establish farm and food policy for the next five years, covering FY2019-FY2023. The vote to approve H.R. 2 followed a failed vote of 198-213 on the same bill on May 18, 2018. The final passage vote on June 21 followed a vote of 233-191 approving a motion to reconsider, which was made after the unsuccessful vote on final passage of May 18. The Committee on Agriculture marked up and ordered reported H.R. 2 on April 18, 2018.

The House-passed version of H.R. 2 continues the tradition of multi-year farm bills that would establish policy for farm programs and nutrition assistance. To this end, H.R. 2 addresses agriculture and food policy across 11 titles that cover commodity support programs, agricultural conservation, trade and international food aid, domestic nutrition assistance, credit, rural infrastructure and economic development, research and extension, forestry, horticulture, and a variety of other policies and initiatives. The Congressional Budget Office (CBO) projected that spending on mandatory programs under H.R. 2 would total \$867 billion over the 10-year period FY2019-FY2028, which equals the cost of extending the current 2014 farm bill for 10 years.

H.R. 2 would supersede the current slate of farm programs and policies authorized by the 2014 farm bill, P.L. 113-79, many of which will expire in 2018 unless Congress acts to reauthorize them or to extend them. Certain programs, such as crop insurance, are permanently authorized and would continue to operate in the absence of new farm legislation or an extension of the current farm bill. But if the current farm law were to expire, many other programs—such as commodity support programs that provide a safety net for producers of major agricultural commodities, such as corn and wheat, milk, sugar, and others—would be governed by so-called permanent laws, which do not expire and date from the late 1930s and 1940s.

These permanent laws, including the Agricultural Adjustment Act of 1938 (P.L. 75-430) and Agricultural Act of 1949 (P.L. 81-439), emphasize supply controls to support price support regimes that would raise prices of these basic farm commodities well above existing market levels. A change in farm policy along these lines from the market-driven and export-oriented model that characterizes most existing commodity support programs could prove to be broadly disruptive for farmers, farm input suppliers, agricultural exporters, food manufacturers, and consumers. Many other programs, such as conservation programs and rural development programs, would cease to function. In the past, when Congress has faced the prospect of expiring farm legislation without enacting successor legislation, it has acted to extend the existing policies, as it did when the 2002 and 2008 acts expired.

This report provides a title-by-title summary of the policies and provisions in H.R. 2 and compares them with current law. Following an analysis of the budgetary implications of H.R. 2, summaries of major changes the bill would make in each of its 11 titles are provided. These summaries are followed by side-by-side comparison tables for each of the bill's 11 titles that

briefly describe the provisions in H.R. 2 and compare them with current law. During the floor debate on H.R. 2, the House adopted a number of amendments to the bill, which are listed in **Table A-1**.

Table I. Farm Bill Key CRS Policy Staff

Policy Issue	Name	Email	Phone
Farm Bill Budget	Jim Monke	jmonke@crs.loc.gov	7-9664
Commodity Support	Randy Schnepf	rschnepf@crs.loc.gov	7-4277
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Pesticide Regulation	Jerry H. Yen	jyen@crs.loc.gov	7-9113
Endangered Species	Pervaze A. Sheikh	psheikh@crs.loc.gov	7-6070
Hazardous Chemical Management	Scott D. Szymendera	sszymendera@crs.loc.gov	7-0014
Clean Water Act	Laura Gatz	lgatz@crs.loc.gov	7-2646

# Budgetary Impact<sup>1</sup>

A farm bill authorizes funding in two ways. It authorizes and pays for **mandatory** outlays with multiyear budget estimates when the law is enacted. It also sets the parameters for **discretionary** programs and authorizes them to receive future appropriations but does not provide funding. Mandatory programs often dominate farm bill policy and the debate over the farm bill budget.

The budgetary impact of mandatory spending proposals is measured relative to an assumption that certain programs continue beyond the end of the farm bill. The benchmark is the CBO **baseline**—a projection at a particular point in time of future federal spending on mandatory

<sup>&</sup>lt;sup>1</sup> This section was written by Jim Monke, Specialist in Agricultural Policy.

programs under current law. The baseline provides funding for reauthorization, reallocation to other programs, or offsets for deficit reduction.<sup>2</sup>

When a new bill is proposed that would affect mandatory spending, the **score** (cost impact) is measured in relation to the baseline. Changes that increase spending relative to the baseline have a *positive* score; those that decrease spending relative to the baseline have a *negative* score. Budget enforcement uses these baselines and scores and may follow "PayGo" and other budget rules (that in part may require no increase to the federal deficit).<sup>3</sup>

In April 2018, CBO released a baseline for farm bill programs with mandatory spending that will be used for the rest of the legislative year.<sup>4</sup> It projects that, if current law were extended, farm bill programs would cost \$867 billion over the next 10 years, FY2019-FY2028, 77% of which is in the nutrition title for the Supplemental Nutrition Assistance Program (SNAP). The remaining \$203 billion baseline is for agricultural programs, mostly in crop insurance, farm commodity programs, and conservation. Other titles of the farm bill contribute less than 1% of the baseline (**Figure 1**), some of which are funded primarily with discretionary spending.

Relative to this baseline, CBO released its score of H.R. 2 on April 13, 2018.<sup>5</sup> CBO estimates that H.R. 2 is essentially budget neutral over the procedural 10-year budget window (**Table 2**). The bill would increase mandatory (direct) spending by \$458 million and is offset by increases in revenue of \$465 million, reflecting fees paid by contractors in the SNAP electronic benefits transfer (EBT) program.

Under H.R. 2, the baseline of the three largest titles (nutrition, crop insurance, and commodities) is projected to remain within roughly 0.5% of current law. Within individual titles, the conservation and nutrition titles would experience larger shifts among programs within their respective titles. For example, the conservation title's 10-year baseline would be reduced by \$795 million (-1.3%), reflecting a \$12.6 billion reduction (21%) from repealing the Conservation Stewardship Program (CSP), which is the offset for increases in other conservation programs (**Table 3**). The nutrition title's 10-year baseline would increase by \$463 million (+0.07%), although this includes reductions of \$20 billion (3%) in benefits that are reallocated to other programs in the nutrition title. Moreover, the overall nutrition title increase, \$463 million, is more than offset by the projected \$465 million increase in revenue attributed to that title.

Bioenergy programs, which had their own title in recent farm bills, are addressed in the rural development title of H.R. 2, where their mandatory funding is eliminated (-\$517 million over 10 years). Animal disease and preparedness programs, including a vaccine bank, receive new mandatory funding (+\$450 million) in the miscellaneous title. Farm safety net program outlays would be essentially flat overall, with crop insurance title reductions (-\$161 million over 10 years) nearly offsetting net increases in farm commodity title programs (\$+193 million).

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<sup>&</sup>lt;sup>2</sup> CRS In Focus IF10783, Farm Bill Primer: Budget Issues.

<sup>&</sup>lt;sup>3</sup> CRS Report 98-560, Baselines and Scorekeeping in the Federal Budget Process.

<sup>&</sup>lt;sup>4</sup> CBO, "Baseline Projections for Selected Programs," April 2018, https://www.cbo.gov/about/products/baseline-projections-selected-programs, and in table notes in "H.R. 2, Agriculture and Nutrition Act of 2018," May 2, 2018, https://www.cbo.gov/publication/53819.

<sup>&</sup>lt;sup>5</sup> CBO, "Cost Estimate of H.R. 2, Agriculture and Nutrition Act of 2018," April 13, 2018, https://www.cbo.gov/publication/53760.

<sup>&</sup>lt;sup>6</sup> The scoring of H.R. 2 assumes that changes in the Bipartisan Budget Act of 2018 (P.L. 115-141), particularly for the cotton and dairy programs, are already incorporated into the April 2018 CBO baseline projection. See CRS In Focus IF10829, *Agriculture Funding in the Bipartisan Budget Act of 2018*; CRS In Focus IF10833, *Dairy Provisions in the Bipartisan Budget Act (P.L. 115-123)*; and CRS Report R45143, *Seed Cotton as a Farm Program Crop: In Brief.* 

For several of the subset of programs in the 2014 farm bill that received mandatory funding but do not have a baseline beyond the end of FY2018, H.R. 2 would provide new mandatory funding. Two research title programs would receive \$250 million in mandatory funds, while trade title programs would receive \$450 million and be provided with permanent baseline. A food insecurity program in the nutrition title would receive \$472 million in mandatory funding and gain permanent baseline.

Nutrition
664

Conservation
60

Trade, 3.6

Misc., 2.4

Hort., 1.5

Energy, 0.6

Research, 0.6

RuralDev, 0.2

Forestry, 0.01

Figure 1. CBO Baseline Under Current Law, by Title (10-year projected outlays, FY2019-FY2028, billions of dollars)

**Source:** CRS, using CBO April 2018 Baseline (unpublished).

Table 2. Budget for a 2018 Farm Bill: Baseline and Scores, by Title (outlays in millions of dollars, 10-year total FY2019-FY2028)

	-	House bill H.R. 2	
2014 Farm Bill Titles	CBO Baseline	CBO Score	Baseline + Score
Commodities	61,151	+193	61,344
Conservation	59,754	-795	58,959
Trade	3,624	+450	4,074
Nutrition	663,828	+463	664,291
Credit	-4,558	0	-4,558
Rural Development <sup>a</sup>	168	<b>O</b> a	168

<sup>&</sup>lt;sup>7</sup> CRS In Focus IF10780, Farm Bill Primer: Programs Without Baseline Beyond FY2018.

	-	House bill H.R. 2	
2014 Farm Bill Titles	CBO Baseline	CBO Score	Baseline + Score
Research	604	+250	854
Forestry	10	0	10
Energya	612	-517a	95
Horticulture	1,547	+10	1,557
Crop Insurance	78,037	-161	77,876
Miscellaneous	2,423	+566	2,989
Subtotal	867,200	+458	867,658
Increases in Revenue	-	+465	465
Total	867,200	-7	867,193

**Source:** CRS, using the CBO baseline (April 2018) and CBO Cost Estimate of H.R. 2 (April 13, 2018).

Table 3. CBO Score of H.R. 2, by Section

(Projected change in outlays relative to April 2018 baseline, FY2019-FY2028, millions of dollars)

Provision in H.R. 2	FY2019-28	Provision in H.R. 2	FY2019-28
Title I—Commodity Programs		Emergency Food Assistance	499
Agriculture Risk Coverage—Individual	-143	National Gateway	601
Agriculture Risk Coverage—County	-111	Nutrition Education	632
Dairy Program	-20	Transitional Benefits	895
Nonrecourse Marketing Assistance Loans	0	Retailer-Funded Incentives Pilot	1,204
Agriculture Disaster Assistance	11	Child Support; Cooperation with Agencies	3,494
Economic Assistance for Textile Mills	23	Earned Income Deduction	4,640
Implementation	25	Workforce Solutions: Administration	7,650
Price Loss Coverage	408	Subtotal, Title IV	463
Subtotal, Title I	193	Title V—Credit	0
Title II—Conservation		Title VI—Rural Development, Energy	
Repeal Conservation Stewardship Program	-12,618	Rural Energy for America Program	-435
Conservation Reserve Program	-23	Biorefinery Assistance	-82
Wetlands Mitigation Banking	10	Subtotal, Title VI	-517
Other Conservation Programs	614	Title VII—Research	
Regional Conservation Partnership Program	1,308	Beginning Farmer and Rancher Development	100
Agricultural Conservation Easement	2,221	Organic Agriculture Research and Extension	150
Environmental Quality Incentives Program	7,693	Subtotal, Title VII	250
Subtotal, Title II	-795	Title VIII—Forestry	0
Title III—Trade		Title IX—Horticulture	
International Development Program	450	National Organic Program Tech. Update	5
Subtotal, Title III	450	Organic Production and Market Data	5
Title IV—Nutrition		Subtotal, Title IX	10
Workforce Solutions: Benefits	-9,190	Title X—Crop Insurance	

a. H.R. 2 combines rural development and energy into a Rural Infrastructure and Economic Development title. This table retains the separate titles, consistent with the 2014 farm bill and CBO baseline.

Provision in H.R. 2	FY2019-28	Provision in H.R. 2	FY2019-28
Standard Utility Allowances Receipts	-5,250	Education and Risk Management Assistance	-125
Update to Categorical Eligibility	-5,035	Increase Cat. Coverage Fee to \$500	-72
Duplicative Enrollment Database	-588	Research and Development Priorities	-45
State Performance Indicators	-432	Program Administration	-18
Benefit Recovery	<0.5	Whole Farm Applied to Beginning Farmers	9
Tolerance Level for Payment Errors	<0.5	Treatment of Forage and Grazing	90
Mobile Technologies	12	Subtotal, Title X	-161
SNAP Benefit Transfer Data Report	30	Title XI—Miscellaneous	
Interactions	30	Noninsured Assistance Program	-37
Simplified Homeless Housing Costs	76	Outreach to Socially Disadvantaged	50
Adjustment to Recovered Funds Retained	102	Textile Trust Fund	103
Basic Allowance for Housing	116	National Animal Disease Preparedness	450
Implementation Funds	150	Subtotal, Title XI	566
Processing Fees	154	Total Changes in Direct Spending	458
Adjustment to Asset Limitations	201	Increases in Revenue	465
Food Insecurity Nutrition Incentive Program	472	Net Effect on the Deficit	-7

Source: CRS, sorted within titles using the CBO Score of H.R. 2, April 13, 2018,

# **Title-by-Title Summary**

# Title I, Commodity Program<sup>8</sup>

Title I commodity programs authorize support programs for dairy, sugar, and covered commodities—including major grain, oilseed, and pulse crops—as well as agricultural disaster assistance. Major field-crop programs include the Price Loss Coverage (PLC) and Agricultural Risk Coverage (ARC) programs and the Marketing Assistance Loan (MAL) program. The dairy program involves protecting a portion of the margin between milk and feed prices. The sugar program provides a combination of price support, border protection, and producer production allotments. Four disaster assistance programs that focus primarily on livestock and tree crops were permanently authorized in the 2014 farm bill. These disaster assistance programs provide federal assistance to help farmers recover financially from natural disasters, including drought and floods. Title I also includes several administrative provisions that suspend permanent farm law from 1938 and 1949; assign payment limits for individuals, joint ventures or partnerships, and corporations; specify the adjusted gross income (AGI) threshold for program payment eligibility; and identify other details regarding payment attribution and eligibility.

H.R. 2 extends authority for current commodity programs but with some modifications to programs for covered commodities and dairy as well as agricultural disaster assistance. The sugar program is extended but is otherwise unchanged. H.R. 2 also amends both payment limits and the AGI limit to expand the list of producer exemptions from payment and income limits under certain conditions.

<sup>&</sup>lt;sup>8</sup> This section was written by Randy Schnepf (farm commodity support) and Mark McMinimy (sugar), Specialists in Agricultural Policy; Joel Greene (dairy) and Sahar Angadjivand (farm commodity support), Analysts in Agricultural Policy; and Megan Stubbs (disaster assistance), Specialist in Agricultural Conservation and Natural Resources Policy.

In general, program changes affecting covered commodities under H.R. 2 make PLC a more attractive option for producers than ARC. In particular, H.R. 2 includes an escalator provision that would raise a covered commodity's effective reference price (used in the PLC payment formula) by as much as 115% of the statutory PLC reference price based on 85% of the five-year Olympic average of farm prices. In addition, producers participating in PLC that experienced at least 20 consecutive weeks of severe drought during 2008-2012 would be allowed to update their program yields (used in the PLC payment formula). In contrast, producers enrolled in the county-level ARC program (or the stacked income protection plan for cotton) would be ineligible for crop insurance coverage under an area yield and loss basis or the supplemental coverage option. Furthermore, the individual, farm-level ARC program is eliminated.

The MAL program would be retained as is under H.R. 2, but any program benefits would be exempted from inclusion under both payment limits and the AGI limit. Payment limits would also be affected by H.R. 2's treatment of eligible payment entities. Under current law, partnerships and joint ventures are treated as collections of individuals, each with their own payment limits, whereas a corporation is treated as a single individual subject to a single payment limit. H.R. 2 would alter the treatment of certain corporations by defining a "qualified pass through entity" (QTPE) as including partnerships, joint ventures, limited liability corporations, and S corporations. This would allow each separate owner of a QTPE (meeting all program eligibility criteria) to have an individual payment limit. Also, H.R. 2 would redefine *family farm* to include first cousins, nieces, and nephews, thus increasing the potential pool of individuals eligible for an individual payment limit on family farming operations.

With respect to agricultural disaster assistance programs, H.R. 2 amends the limits on payments received under the programs and waives the AGI requirement if more than 75% of the producer's income comes from farming, ranching, or silviculture. The bill also expands payments for livestock losses caused by disease.

H.R. 2 expands producer coverage choices under the current Margin Protection Program (MPP) and renames it the Dairy Risk Management Program (DRMP). Like MPP, the DRMP pays participating dairy producers the difference (when positive) between a producer-selected margin and the national milk margin (calculated as the all-milk price minus an average feed cost ration). Under H.R. 2, the U.S. Department of Agriculture (USDA) is required to conduct studies on whether the feed cost ration is representative of actual feed costs used in the margin calculation and on the cost of corn silage versus the feed cost of corn. The bill also directs USDA to report alfalfa hay prices in the top five milk producing states.

Under current law, for a \$100 administrative fee, participating dairy producers automatically receive payments on 90% of their first 5 million pounds or less of milk production when the milk margin falls below \$5.00 per hundredweight (cwt.). Under DRMP, the catastrophic margin is lowered to \$4.00/cwt. Also, under current law dairy producers select a margin protection level in \$0.50/cwt. increments from \$4.00/cwt. to \$8.00/cwt. and a percent coverage ranging from 25% to 90% of the farm's historical milk production. Premiums paid by producers vary with coverage levels selected and across two production tiers: Tier I is the first 5 million pounds of milk production; Tier II is milk production above 5 million pounds. Under DRMP, additional margin levels of \$8.50/cwt. and \$9.00/cwt. are available for Tier I. Premiums are reinstated for the \$4.50/cwt. and \$5.00/cwt. margins under Tier I, while premiums are reduced substantially for the other Tier I margins ranging from \$5.50/cwt. to \$8.00/cwt., and the percent coverage range is

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<sup>&</sup>lt;sup>9</sup> The Olympic average excludes the high- and low-price years from calculation of the average.

<sup>&</sup>lt;sup>10</sup> S corporations meet the requirements of subchapter S of the Internal Revenue Code.

extended to 5% to 90% of a farm's milk production history. Premiums for Tier II would be left unchanged. A difference under DRMP from current law is that dairy producers would make a single one-time election of a margin coverage level and a percentage of milk production to cover. This election would last the duration of the farm bill.

H.R. 2 would also repeal the Dairy Product Donation Program; extend through FY2023 the Dairy Forward Pricing Program, the Dairy Indemnity Program, and the Dairy Promotion and Research Program; and eliminate the provision prohibiting dairy producers from participating in both the DRMP and the Livestock Gross Margin-Dairy insurance program, although dual coverage cannot be on the same milk production. Finally, H.R. 2 amends the formula for the Class I skim milk price used for calculating the Class I price under Federal Milk Marketing Orders.

## Title II, Conservation<sup>11</sup>

USDA administers a number of agricultural conservation programs that assist private landowners with natural resource concerns. These can be broadly grouped into working land programs, land retirement and easement programs, watershed programs, emergency programs, technical assistance, and other programs. H.R. 2 amends portions of programs in all of these categories. However, the general focus is on the larger working lands, land retirement, and easement programs. All current conservation programs are reauthorized with the exception of the largest—CSP—which is repealed. New spending on the conservation title is projected to increase by \$656 million over five years but over 10 years would be reduced by nearly \$800 million.

In general, working land programs provide technical and financial assistance to assist farmers to improve land management practices. The two largest working lands programs—Environmental Quality Incentives Program (EQIP) and CSP—account for more than half of all conservation program funding. H.R. 2 repeals CSP, which currently has an enrollment of more than 70 million acres. CSP provides financial and technical assistance to producers to maintain and improve existing conservation systems and to adopt additional conservation activities in a comprehensive manner on a producer's entire operation. A more limited version of the CSP stewardship contract is included in EQIP with the proviso that no more than 50% of EQIP funding may be used for these contracts. Existing CSP contracts would remain active until completion. Repealing CSP is the primary driver behind the projected decline in spending under the conservation title over 10 years, since CSP contracts are five years in duration and would all be completed by FY2023. H.R. 2 also amends EQIP by expanding options for irrigation entities, removing a requirement that 60% of payments relate to livestock production, limiting the EQIP Conservation Innovation Grants to \$25 million, and increasing the overall funding in annual increments through FY2023 to \$3 billion from \$1.75 billion in FY2018.

Land retirement and easement programs provide federal payments to private agricultural landowners for permanent or long-term land-use restrictions. The Conservation Reserve Program (CRP), the largest land retirement program, is reauthorized and amended by H.R. 2. CRP provides annual rental payments to producers to replace crops on highly erodible and environmentally sensitive land with long-term resource-conserving plantings. Total CRP enrollment would be authorized to increase incrementally through FY2023 to 29 million acres from the current limit of 24 million acres. In order to offset this increased enrollment level, the bill would reduce payments to participants, allow for a one-time early termination of select CRP

<sup>&</sup>lt;sup>11</sup> This section was written by Megan Stubbs, Specialist in Agricultural Conservation and Natural Resources Policy.

<sup>&</sup>lt;sup>12</sup> EQIP and CSP combined received approximately \$2.6 billion in FY2017. Total mandatory spending in FY2017 was approximately \$5.3 billion.

contracts without penalty in FY2019, and reduce incentives for continuous contracts and reenrollment. A number of other changes are made to CRP that would further expand grazing and commercial uses on CRP acres. The Agricultural Conservation Easement Program (ACEP) USDA's easement program, is also reauthorized and amended by H.R. 2. ACEP provides financial and technical assistance through two types of easements: agricultural land easements that limit nonagricultural uses on productive farm or grasslands and wetland reserve easements that protect and restore wetlands. Most of the changes to ACEP focus on the agricultural land easements in which USDA enters into partnership agreements with eligible entities to purchase agricultural land easements from willing landowners. H.R. 2 would provide additional flexibilities to ACEP eligible entities. It would also remove planning requirements, waive the AGI requirement, allow for mineral development and participation in environmental markets, and increase overall funding to \$500 million annually.

The 2014 farm bill created the Regional Conservation Partnership Program (RCPP), which enrolls land through existing conservation programs in partnership with eligible partners. Under RCPP, partners define the scope and location of the project, provide 50% or more of the project cost, and work with eligible landowners to enroll in existing conservation programs. H.R. 2 expands funding for the program as well as the existing set of conservation programs covered under program. H.R. 2 would also provide for longer partnership agreements and project renewal options.

## Title III, Trade<sup>13</sup>

The trade title deals with statutes concerning U.S. international food aid and agricultural export programs. Under the farm bill authority, U.S. international food assistance is distributed through three main programs: (1) Food for Peace (emergency and nonemergency food aid); (2) Food for Progress (agricultural development programs); and (3) the McGovern-Dole International Food for Education and Child Nutrition program (school lunch and feeding programs). The largest of these, the Food for Peace (FFP) program, receives about \$1.5 billion in annual appropriations. Traditionally, these three programs have relied on donated U.S. agricultural commodities as the basis for their activities. However, recent farm bills have increasingly added flexibility to purchase food in local markets or to directly transfer cash or vouchers to needy recipients. FFP is administered by the U.S. Agency for International Development (USAID), while the other two programs are administered by the Foreign Agricultural Service of USDA.

H.R. 2 reauthorizes all of the international food aid programs along with several associated fellowship programs. FFP is amended to remove a minimum monetization requirement of 15% of FFP funds; raise the minimum requirement used for nonemergency programs to \$365 million (up from \$350 million) or not more than 30% of FFP funding; and require food vouchers, cash transfers, and local and regional procurement of non-U.S. foods to avoid market disruption in the recipient country. H.R. 2 also extends authority for several other related international programs—including the Farmer-to-Farmer program, Bill Emerson Humanitarian Trust, Cochran Fellowships, Borlaug Fellowships, and Global Crop Diversity Trust.

Current U.S. export promotion programs include the Market Access Program (MAP), the Foreign Market Development Program (FMDP), the Emerging Markets Program (EMP) and Technical Assistance for Specialty Crops (TASC). These programs are administered by the Foreign Agricultural Service. Under H.R. 2, all four export programs—MAP, FMDP, EMP, and TASC—

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<sup>&</sup>lt;sup>13</sup> This section was written by Jenny Hopkinson, Analyst in Agricultural Policy.

are combined into a single program named the International Market Development Program (IMDP) while maintaining existing activities and eligibility requirements. <sup>14</sup> IMDP would be authorized to receive \$255 million in annual mandatory Commodity Credit Corporation (CCC) funds for FY2019-FY2023. Of that, no less than \$200 million shall be spent on promotional activities for both generic and branded U.S. agricultural products; no less than \$35 million on promotional activities for generic commodities; no more than \$9 million for technical assistance to specialty crop groups looking to export their crops; and no more than \$10 million on promoting U.S. agricultural goods to emerging markets. These funding levels reflect current spending across MAP, FMDP, TASC and EMP. H.R. 2 further creates the Biotechnology and Agricultural Trade Program in Title III to assist with the removal of non-tariff and other trade barriers to U.S. agricultural products produced with biotechnology and other agricultural technologies. Finally, H.R. 2 reauthorizes direct credits or export credit guarantees for the promotion of agricultural exports to emerging markets of not less than \$1 billion in each fiscal year through 2023.

# Title IV, Nutrition<sup>15</sup>

The Nutrition title in H.R. 2 proposes a number of policy changes to SNAP and related programs, while in some respects continuing current policy and operations. The bill would reauthorize SNAP and related programs for five years through the end of FY2023. Altogether, CBO estimates that the Nutrition title would increase spending by \$463 million over 10 years (FY2019-FY2028). Certain individual policies are estimated to have large effects on SNAP spending, especially those expected to impact SNAP eligibility and benefit calculation.

H.R. 2 proposes a number of changes to the determination of households' financial and nonfinancial eligibility for SNAP benefits. Three of these policies were debated during committee markup:

- 1. **Broad-based categorical eligibility.** The bill proposes to place additional limits on households that are eligible for SNAP based on their receipt of Temporary Assistance for Needy Families benefits. CBO estimates that these changes would reduce SNAP spending by more than \$5 billion over the 10-year window. CBO also estimates that in an average year about 400,000 households would lose SNAP eligibility. As SNAP recipients are also eligible for free school meals, CBO estimated that in an average year, 265,000 children would lose access to free meals.
- 2. Work-related requirements. The bill proposes to replace SNAP's general work requirements and able-bodied adults without dependents time limit with a work requirement for all states. Beginning with FY2021, the proposal would require a minimum of 20 hours of work per week for non-exempt able-bodied adults. Unlike the current-law time limit, which applies to 18- to 49-year-olds who do not have children, the proposed requirement would apply to 18- to 59-year-olds and would not exempt parents or caretakers of children six years old and older. The proposal continues to give states authority to exempt a portion of the caseload and to request geographic waivers based on labor-market measures, with some amendments to current law. Unlike the current law time limit, the proposal requires states to offer employment or training opportunities to those individuals subject to the requirements. The bill increases SNAP Employment

<sup>&</sup>lt;sup>14</sup> A fifth existing export promotion program, the Quality Samples Program, is not included in the bill.

<sup>&</sup>lt;sup>15</sup> This section was written by Randy A. Aussenberg, Specialist in Nutrition Assistance Policy.

and Training funding for the states, increasing mandatory funding in a formula grant for states from \$110 million in current law to \$270 million in FY2020 and to \$1 billion in FY2021 and each year thereafter. CBO estimates that these work-related changes would reduce spending on SNAP benefits by approximately \$9.2 billion over 10 years, and administration of the changes would increase spending by approximately \$7.6 billion—a net reduction of \$1.5 billion. In FY2028, CBO estimates that in an average month approximately 1.2 million recipients would no longer receive benefits, with each recipient losing an average annual SNAP benefit amount of \$1,816. This provision was amended on the House floor (see **Table A-1**).

3. **LIHEAP and benefit calculation.** Under current law, an eligible household's receipt of a Low Income Home Energy Assistance Program (LIHEAP) payment over \$20 has the potential to increase monthly benefit amounts, because this payment allows the household to have their benefits calculated using a standard utility allowance. For households without elderly members, under this bill (as amended on the House floor), LIHEAP, regardless of the amount provided, would no longer confer this advantage. CBO estimates that this provision would reduce 560,000 households' SNAP benefits by an average of \$84 per month.

In addition to these three eligibility changes, the proposal increases asset limits and changes how vehicles and savings accounts are counted. It also amends the way certain income is counted or excluded, increases the deduction for earned income, and requires households' cooperation with child support enforcement.

The bill includes measures intended to address SNAP retailer and recipient fraud and to improve payment accuracy. This includes establishing a Duplicative Enrollment Database, making changes to the Quality Control system, and increasing USDA's oversight of state performance. The bill repeals funding for performance bonuses, which, under current law, financially rewards states' performance. The bill also proposes a number of policy changes for SNAP's EBT system and benefit redemption.

The bill proposes some changes to SNAP-related grants. It would make some amendments and increases funding for bonus incentives for fruits and vegetables under the (renamed) Gus Schumacher Food Insecurity Nutrition Incentive Program. It would also authorize and fund a pilot for retailers to receive federal funding for operating bonus incentive projects that incentivize fruit, vegetable, and milk purchases. It also proposes some changes to USDA's operations and funding of the Nutrition Education and Obesity Prevention Grant Program.

For many of the food distribution programs and other nutrition title programs and policies, the bill would extend them through FY2023 without substantive policy changes. The Emergency Food Assistance Program would receive an increase of approximately \$45 million (adjusted annually for inflation) each year and would also include authority for a "Farm to Food Bank Fund." The Fresh Fruit and Vegetable Program would be renamed to "Fruit and Vegetable Program," and participating schools could serve fresh, canned, dried, frozen, or pureed fruits and vegetables.

The National School Lunch Program and School Breakfast Program are not reauthorized in this bill. However, an amendment incorporated on the House floor requires USDA to review and change its 2012 regulations updating school meal nutrition standards and 2016 regulations adding nutrition standards to foods sold outside the meals programs.

# Title V, Credit<sup>16</sup>

H.R. 2 would make several permanent changes and reauthorize provisions in the Consolidated Farm and Rural Development Act that governs the USDA farm loan programs, make several permanent changes to the Farm Credit Act that governs the Farm Credit System, and reauthorize the State Agricultural Loan Mediation Program through FY2023.

For the farm loan programs of FSA, H.R. 2 would add specific conditions that the Secretary may use to reduce the requirement for three years of farming experience in order for beginning farmers to qualify for loans (e.g., coursework, military service, mentoring). It raises the maximum loan size for guaranteed farm ownership loans and guaranteed farm operating loans from a statutory base of \$700,000 in FY1996 (\$1.4 million in FY2018 after adjusting for inflation) to a higher base of \$1.75 million per borrower, which inflation adjusts to an effective maximum guaranteed loan amount of about \$3.5 million in FY2019. The bill also makes several technical corrections.

For the government-chartered, cooperative Farm Credit System (FCS), H.R. 2 would eliminate a host of obsolete references to outdated names and transition periods from the 1980s and 1990s. It adds clarification that FCS entities may share privileged information with the Farm Credit Administration (FCA) for regulatory purposes without altering the privileged status elsewhere. It expands FCA's jurisdiction to hold accountable "institution-affiliated parties" (e.g., including agents and independent contractors) and makes the scope retroactive for a six-year period. For the Federal Agricultural Mortgage Corporation (FarmerMac), it increases the acreage exception from 1,000 acres to 2,000 acres for the dollar limit to remain a qualified loan, subject to a study by FCA. It also directs FCA to study the risks and capitalization of loans in the FCS and FarmerMac portfolios. Finally, it deletes the compensation limit for FCS bank boards of directors.

For the State Agricultural Loan Mediation Program, H.R. 2 reauthorizes the program to FY2023 so that it may continue to provide matching grants for mediation of credit and certain other agricultural disputes.

# Title VI, Rural Infrastructure and Economic Development<sup>17</sup>

The Rural Infrastructure and Economic Development title of H.R. 2 amends the Rural Development Act of 1972 (P.L. 92-419) to propose a new Subtitle A, Improving Health Outcomes in Rural Communities. The four sections of the proposed subtitle would permit the Secretary of Agriculture, after consultation with public health figures, to announce a temporary reprioritization of certain rural development loans and grants to assist rural communities in responding to a specific rural health emergency. The announced emergency would expire either when the Secretary has determined that the emergency has ended or 360 days after the announcement, whichever date is earlier. While the emergency is in effect, 10% of the funds available for the Distance Learning and Telemedicine Program would be made available to identify and treat individuals affected by the emergency. Under the Community Facilities program, priority would be given to entities providing prevention, treatment, and recovery services to those affected by the emergency. The subtitle would also reauthorize the Farm and Ranch Stress Assistance Network and authorize a new loan and grant program to help establish group health plans offered by agricultural associations.

<sup>&</sup>lt;sup>16</sup> This section was written by Jim Monke, Specialist in Agricultural Policy.

<sup>&</sup>lt;sup>17</sup> This section was written by Tadlock Cowan, Analyst in Natural Resources and Rural Development.

Subtitle B of H.R. 2 makes changes to the Enhancing Broadband Telecommunications Services in Rural Areas Program. Provisions under this subtitle would establish minimum acceptable standards of broadband service of 25 megabits per second downstream transmission capacity and 3 megabits per second upstream transmission capacity and develop projections of broadband service 5, 10, 15, 20, and 30 years into the future. Other provisions would require broadband infrastructure loan guarantees, provide incentives to reach more isolated rural areas by establishing a residential density measure for loan guarantee applicants, permit the Rural Utility Service to obligate but not disburse broadband funding support, and give priority to applicants who would provide broadband service to areas not predominantly for business. Other provisions would authorize loans for middle-mile broadband infrastructure, modify build-out requirements for loan applicants from three to five years, and reduce reporting requirements for borrowers.

Subtitle C of the bill concerns provisions for rural communities, business development, and rural infrastructure. Its provisions would prioritize project applications that support implementation of strategic plans on a multi-jurisdictional basis and reserve a portion of funds for such projects, raise the maximum loan amount for water and waste water projects, increase funding for water and waste water technical assistance, and reauthorize a range of rural development programs authorized under the Consolidated Farm and Rural Development Act.

Subtitle D reauthorizes programs under the Rural Electrification Act of 1936 (P.L. 74-605), including expanding 911 access in rural areas and extending the rural economic development loan and grant program. Subtitle E amends and reauthorizes all of the agricultural energy programs in the 2014 farm bill that were previously in a separate title, extending most through FY2023. H.R. 2 also modifies the type of funding available for these programs. In prior farm bills, many of these programs were provided with mandatory funding, whereas H.R. 2 authorizes only discretionary funding.

Subtitle F reauthorizes the Value-Added Grants program and increases its discretionary funding authorization. The regional development commissions established in the 2008 farm bill are also reauthorized, and the current definition of *rural area* for the Rural Housing Service's programs is retained until the 2030 decennial census. Subtitle G repeals several unfunded programs, including the Rural Telephone Bank, the Rural Collaborative Investment Program, and the Delta Region Agricultural Development Grants Program. Subtitle H makes technical corrections to certain provisions of the Consolidated Farm and Rural Development Act (P.L. 92-419) and the Rural Electrification Act.

# Title VII, Research18

USDA is authorized under four major laws to conduct agricultural research at the federal level and to provide support for cooperative research, extension, and postsecondary agricultural education programs in the states through formula funds and competitive grants to land-grant universities. H.R. 2 reauthorizes funding for these activities through FY2023, subject to annual appropriations.

With respect to the land-grant entities, H.R. 2 authorizes a new scholarship program for the 1890 land-grant institutions. A provision in the bill would also prohibit any further entities from being designated as eligible to receive formula funding under the Hatch Act (24 Stat. 440), Smith-Lever Act (P.L. 63-95), and McIntire-Stennis Act (P.L. 87-788). Permissible indirect cost recovery for

<sup>&</sup>lt;sup>18</sup> This section was written by Tadlock Cowan, Analyst in Natural Resources and Rural Development.

federal funding of agricultural research and extension would increase to 30% from 22% of funding.

Several new research areas in the High Priority Research and Extension program are designated to be high priorities: macadamia tree health, national turfgrass research, fertilizer management, cattle fever ticks, and laying hen and turkey research. The bill also reauthorizes the Organic Agriculture Research and Extension Initiative and increases mandatory funding levels to \$30 million annually for FY2019-FY2023. The Specialty Crop Research Initiative (SCRI) would be reauthorized through FY2023 and continues to include carve-out funding for the Emergency Citrus Disease Research and Extension Program. SCRI also expands program eligibility to include "size-controlling rootstock systems for perennial crops" and "emerging and invasive species," among other production practices and technologies.

# Title VIII, Forestry<sup>19</sup>

The Agriculture Committees have jurisdiction over forestry issues generally, as well as over some—but not all—National Forest System (NFS) lands managed by the USDA Forest Service (FS). Previous farm bills have primarily addressed forestry research and assistance programs and have sometimes included provisions addressing management of federal forest land. The forestry title in H.R. 2 would reauthorize and modify several existing assistance programs and establish new assistance programs, and it also contains several provisions that would address management of the NFS and the public lands managed by the Bureau of Land Management (BLM) in the Department of the Interior.

Forestry assistance programs are authorized under two main laws: the Cooperative Forestry Assistance Act (CFAA)<sup>21</sup> and the Healthy Forests Restoration Act of 2003.<sup>22</sup> Most federal forestry assistance programs are permanently authorized to receive such sums as necessary in annual discretionary appropriations and thus do not require reauthorization in the farm bill. H.R. 2, however, would amend two forestry assistance programs by replacing their permanent authority to receive annual appropriations with an authorization limit through FY2023. H.R. 2 would also establish some new assistance programs—generally by providing explicit statutory authorization and congressional direction for current programs that are operating under existing, but broad, authorizations. The bill would also reauthorize funding for the National Forest Foundation.

H.R. 2 would also address federal and tribal forest management issues. For example, the bill would direct the Secretary of Agriculture to exempt unprocessed dead and dying trees on NFS lands in California from the export prohibition for 10 years. Subtitle B would amend the Secure Rural Schools and Self-Determination Act of 2000,<sup>23</sup> a program that authorizes payments to counties containing NFS lands and certain BLM lands.<sup>24</sup> The bill would also change how the FS and BLM comply with the requirements under the National Environmental Policy Act (NEPA)<sup>25</sup>

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<sup>&</sup>lt;sup>19</sup> This section was written by Katie Hoover, Specialist in Natural Resource Policy.

<sup>&</sup>lt;sup>20</sup> The Agriculture Committees have jurisdiction over any national forest not reserved from the public domain. The House Committee on Natural Resources and the Senate Committee on Energy and Natural Resources have jurisdiction over public lands generally, including national forests reserved from the public domain.

<sup>&</sup>lt;sup>21</sup> P.L. 95-313, 16 U.S.C. §§2101-2114.

<sup>&</sup>lt;sup>22</sup> P.L. 108-148, 16 U.S.C. §§6501-6591c. For more information on these programs, see CRS Report R45219, *Forest Service Assistance Programs*.

<sup>&</sup>lt;sup>23</sup> P.L. 106-393, 16 U.S.C. §§7101-7153.

<sup>&</sup>lt;sup>24</sup> For more information, see Reauthorizing the Secure Rural Schools and Community Self-Determination Act of 2000.

<sup>&</sup>lt;sup>25</sup> P.L. 91-109, 42 U.S.C. §§4321-4347. For more information on NEPA, see CRS Report RL33152, *The National* (continued...)

and the consultation requirements under the Endangered Species Act<sup>26</sup> for specified management activities. For example, the bill would establish 10 categories of actions that would not be subject to the requirements to prepare an environmental assessment or environmental impact statement under NEPA. (Six apply to both FS and BLM actions; four apply to just FS actions.) H.R. 2 would also authorize federally recognized Indian tribes to enter into good neighbor agreements with the FS and BLM and to request to conduct forest management activities on NFS lands, among other provisions.

### Title IX, Horticulture<sup>27</sup>

H.R. 2 reauthorizes many of the existing farm bill provisions supporting farming operations in the specialty crop, certified organic agriculture, and local foods sectors. These provisions cover several programs and provisions benefitting these sectors, including block grants to states, support for farmers markets, data and information collection, education on food safety and biotechnology, and organic certification, among other market development and promotion provisions. Other provisions in H.R. 2 would amend certain regulatory requirements under some federal statutes.

H.R. 2 makes changes to funding for farmers markets and local foods promotion. Whereas the 2014 farm bill provided \$30 million in mandatory CCC funding for each of FY2014 through FY2018 for the Farmers Market Promotion Program and Local Food Promotion Program, H.R. 2 reauthorizes discretionary appropriations for these programs in the amount of \$30 million annually for FY2019-FY2023. The bill does not provide any mandatory funding beyond FY2018.<sup>28</sup>

H.R. 2 also makes changes to USDA's National Organic Program (NOP). It would enact several provisions in H.R. 3871 (Organic Farmer and Consumer Protection Act of 2017), including limiting the types of operations excluded from NOP certification, requiring electronic import documentation, establishing mechanisms for collaborative investigations and enforcement, requiring increased documentation and reporting, and increasing USDA accreditation authority over certifying agents, among other changes. In addition, it requires USDA to establish procedures for expedited petitions under the NOP's "National List of Approved and Prohibited Substances" and amends the eligibility and consultation requirements of the National Organics Standards Board (NOSB). H.R. 2 reauthorizes NOP appropriations above current levels, increasing to \$24 million by FY2023, and reauthorizes funding for the Organic Production and Market Data Initiatives. It also provides \$5 million for technology upgrades to improve tracking and verification of organic imports. H.R. 2 does not reauthorize current mandatory funding for the National Organic Certification Cost Share Program, although the program remains authorized.

CBO estimates a total budget authority of \$850 million (FY2019-FY2023) for programs in the Horticulture title. Under H.R. 2, CBO estimates an increase in mandatory spending of \$10 million

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Environmental Policy Act (NEPA): Background and Implementation.

<sup>(...</sup>continued)

<sup>&</sup>lt;sup>26</sup> P.L. 93-205, 16 U.S.C. §1531 et seq. For more information, see CRS Report RL31654, *The Endangered Species Act: A Primer*.

<sup>&</sup>lt;sup>27</sup> This section was written by Renée Johnson, Specialist in Agricultural Policy.

<sup>&</sup>lt;sup>28</sup> H.R. 2 takes a similar approach in Title VI with funding for the Value-Added Producer Grant (VAPG) program, which broadly benefits specialty crop and local food producers. The 2014 farm bill provided \$63 million in mandatory funding for VAPG to remain available until expended. H.R. 2 amends authorizations for discretionary appropriation, providing \$50 million in annual appropriations (FY2019-FY2023) with no additional mandatory funding.

(FY2019-FY2023) for programs under this title, which would cover data collection and technology updates under NOP. Provisions affecting the specialty crop and certified organic sectors, however, are not limited to the Horticulture title but are contained within several other titles of the new law. These include programs in the research, nutrition, and trade titles, among others. For example, under H.R. 2, CBO estimates an increase in mandatory spending of \$101 million (FY2019-FY2023) for the Organic Agriculture Research and Extension Initiative in the bill's Research title. Other programs in the Research title, such as SCRI, would maintain current funding levels of more than \$320 million (FY2019-FY2023). Budget estimates for other programs outside Title IX that benefit the specialty crop, certified organic agriculture, and local foods sectors—such as the Fresh Fruit and Vegetable Program (Snack Program) and Section 32 purchases for fruits and vegetables under the Nutrition title, among other farm bill programs—are not available.

Title IX includes several exemptions from certain regulatory requirements, amending existing provisions in the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA, 7 U.S.C. 136 et seq.), the Clean Water Act (33 U.S.C. §1251 et seq.), the Plant Protection Act (7 U.S.C. 7701 et seq.), and the Occupational Safety and Health Act (OSHA, 29 U.S.C. 651 et seq.). H.R. 2 amends FIFRA to clarify federal and state roles in the regulation of pesticides, to exempt certain pesticide discharges from point source discharge permitting requirements, and to not require that the Environmental Protection Agency consult with other federal agencies regarding pesticide registrations and their potential impact on endangered species. H.R. 2 would also enact into law H.R. 1029 (Pesticide Registration Improvement Enhancement Act of 2017), amending FIFRA to extend the authority to collect pesticide fees and other purposes. Finally, H.R. 2 amends the Plant Protection Act regarding the use of methyl bromide in response to an emergency event and also amends OSHA to exempt agricultural retailers from process safety management requirements.

# Title X, Crop Insurance<sup>29</sup>

Crop insurance is designed cover economic losses from a variety of natural causes, as well as certain adverse market developments. The federal crop insurance program makes available subsidized crop insurance to producers who purchase policies to protect against losses in yield, crop revenue, margin, or whole farm revenue. The crop insurance title of H.R. 2 makes several modifications to the existing federal crop insurance program, which is permanently authorized by the Federal Crop Insurance Act. According to CBO, the crop insurance title of H.R. 2 would decrease authorized spending for crop insurance relative to baseline levels by \$70 million during the FY2019-FY2023 period. The largest component for projected savings (\$52 million) is attributed to eliminating the crop insurance education and information program for targeted states carried out by the Risk Management Agency and the Agricultural Management Assistance program. Up to \$15 million per year of CCC funds could be saved from the elimination of the AMA program alone. Additional savings (\$32 million) occur by increasing the administrative fee for catastrophic risk protection (commonly referred to as CAT fees) from \$300 per crop per county to \$500. CBO also projects another \$23 million in savings from provisions that would eliminate several past research and development (R&D) priorities, discontinue R&D partnerships, and reduce CCC funding for R&D contracting from \$12.5 million to no more than \$8 million annually.

Among other adjustments, H.R. 2 expands coverage for forage and grazing by allowing separate crop insurance policies to be purchased for crops that can be both grazed and mechanically

<sup>&</sup>lt;sup>29</sup> This section was written by Isabel Rosa, Analyst in Agricultural Policy.

harvested on the same acres during the same growing season. Such separate policies can be independently indemnified for each intended use. CBO projects this expanded coverage to cost the government \$40 million during the FY2019-FY2023 period. Similarly, by redefining "beginning farmer or rancher" as having actively operated and managed a farm or ranch for less than 10 years, the federal subsidy benefits available for the purposes of research, development, and implementation of whole farm insurance plans on such participating operations would result in a projected additional cost of \$4 million during FY2019-FY2023.

Crops for which the producer has elected ARC or that are enrolled in stacked income protection would be ineligible for coverage based on an area yield and loss basis or for the supplemental coverage option. H.R. 2 also clarifies requirements for FCIC approval of reimbursement for the development of private submissions for modifying old plans of insurance or creating new plans of insurance.

# Title XI, Miscellaneous<sup>30</sup>

The Miscellaneous title of H.R. 2 contains seven subtitles: Livestock; Beginning, Socially Disadvantaged, and Veteran Producers; Textiles; United States Grain Standards Act; Noninsured Crop Disaster Assistance Program; Protect Interstate Commerce; and Other Matters.

The Livestock subtitle would establish the National Animal Disease Preparedness and Response Program to address the risk of the spread of animal pests and diseases and the National Animal Health Vaccine Bank to prioritize the acquisition of foot-and-mouth disease vaccine. H.R. 2 would provide a combined \$250 million in mandatory funding in FY2019 for these two new programs and to operate the National Animal Health Laboratory Network, as well as \$50 million for the same purposes each year from FY2020 to FY2023. The livestock subtitle would also authorize appropriations for the National Aquatic Health Plan, amend a program for veterinarian training, and require USDA to conduct a study on the Food Safety and Inspection Service's guidance and outreach to small and very small meat processing plants.

The Beginning, Socially Disadvantaged, and Veteran Producers subtitle includes mandatory funding of \$10 million each year from FY2019 to FY2023 for its outreach and assistance program for socially disadvantaged and veteran farmers and ranchers. H.R. 2 would prioritize youth agricultural employment and volunteer programs and establish an Agricultural Youth Organization Coordinator position to promote the role of youth-serving organizations and school-based agricultural education programs. The bill would also create a Commission on Farm Transition to study issues affecting the transition of farm operations from established farmers and ranchers to the next generation.

The Textile subtitle would repeal the trust funds for Pima Agriculture Cotton and Agriculture Wool Apparel Manufacturers. It would also repeal grant funding under the Wool Research and Promotion program. In place of these funds, H.R. 2 would establish the Textile Trust Fund to reduce injury for domestic users of imported pima cotton and wool fabric whose tariffs may exceed the tariffs on certain finished imported pima cotton and wool apparel. For each calendar year from 2019 to 2023, USDA would transfer \$8 million and \$15 million to the trust fund for domestic manufacturers who import pima cotton and wool fabric, respectively, and \$2.25 million for grants for wool research and promotion. In addition, for FY2019, H.R. 2 would provide \$2 million for strengthening and enhancing the U.S. sheep industry.

<sup>&</sup>lt;sup>30</sup> This section was written by Joel Greene, Analyst in Agricultural Policy.

The United States Grain Standards Act (USGSA) would restore exceptions in grain inspection regulations that were implemented in 2003, and revoked in 2015, that allowed grain to be inspected by more than one designated official agency.

The Noninsured Crop Disaster Assistance Program (NAP) subtitle would amend NAP crop eligibility to include crops that may be covered by crop insurance but only under whole farm policies. It would also raise the service fees and reauthorize buy-up coverage through crop year 2023.

The Protect Interstate Commerce subtitle would prohibit a state or local government from setting standards or conditions on agricultural commodities produced in another state if the commodities are produced or manufactured in accordance with federal or state laws and regulations. The bill provides that producers, consumers, trade associations, governments, and other agents may bring an action against the standard or condition in the appropriate court.

The Other Matters subtitle would make technical amendments to various laws to account for USDA reorganizational changes that created the Under Secretary for Trade and Foreign Agricultural Affairs, the Under Secretary for Farm Production and Conservation, and the Assistant to the Secretary for Rural Development. H.R. 2 would also create a Food Loss and Waste Reduction Liaison within the Office of the Secretary, a Century Farms Program under the Secretary that recognizes farms in continuous operation for at least 100 years, and a National Agriculture Imagery Program within the Farm Service Agency. The subtitle would further prohibit the slaughter of dogs and cats for human consumption and would require a report on the importation of dogs.

In addition, the subtitle would require a report on including natural stone in a promotion and research program and a report on agriculture innovation in gene editing and precision plant breeding. It would amend the hiring authority for cotton classification employees to allow for non-competitive rehiring of qualified individuals and add South Carolina to the Virginia/Carolina region of the Peanut Standards Board.

# Provisions of the House Passed Bill (H.R. 2), Compared with Current Law

**Table 4. Title I: Commodities** 

Current Law/Policy	House Passed Bill (H.R. 2)
Commodity Program Terms	
Actual crop revenue. The amount determined by the Secretary under the Agriculture Risk Coverage (ARC) program for each covered commodity for a crop year. (7 U.S.C. 9011(1))	Same as current law. (§IIII(I)).
ARC. Coverage provided under the ARC program. (7 U.S.C. 9011(2))	Same as current law. (§IIII(2)).
ARC guarantee. The amount determined by the Secretary under the ARC program for each covered commodity for a crop year. (7 U.S.C. 9011(3))	Same as current law. (§IIII(3)).
<b>Base acres.</b> For purposes of calculating farm program payments, base acres are the number of historical program acres of a specific covered commodity on a farm as established under the 2008 farm bill, as in effect on September 30, 2013 (except upland cotton), subject to adjustments (see 7 U.S.C. 90112 below). <b>(7 U.S.C. 90114))</b>	Individual crop-specific base acres are retained, as in effect as under the 2014 farm bill subject to any reallocation, adjustment, or reduction as described in Section 1112. (§1111(4))
County coverage. Type of coverage under the ARC program to be obtained by the producer at the county level. (7 U.S.C. 9011(5))	No comparable definition.
Covered commodities. Wheat, oats, and barley (including wheat, oats, and barley used for haying and grazing), corn, grain sorghum, long-grain rice, medium-grain rice, pulse crops, soybeans, other oilseeds, and peanuts. Effective beginning with the 2018 crop year, the term covered commodity includes seed cotton. (7 U.S.C. 9011(6))	Wheat, oats, and barley (including wheat, oats, and barley used for haying and grazing), corn, grain sorghum, long-grain rice, medium-grain rice, pulse crops, soybeans, other oilseeds, seec cotton, and peanuts. (§IIII(5))
Effective price. The price calculated by the Secretary under the Price Loss Coverage (PLC) program for each covered commodity for a crop year to determine whether PLC payments are required to be provided for that crop year. (7 U.S.C. 9011(7))	Same as current law. (§IIII(6)).
No comparable definition.	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) 115% of the reference price for such covered commodity; or (B) the greater of (i) the reference price for such covered commodity or (ii) 85% of the average of the marketing year average price of the covered commodity for the most recent five crop years, excluding each of the crop years with the highest and lowest marketing year average price. (§1111(7))
<b>Extra long staple (ELS) cotton.</b> Cotton that (A) is produced from pure strain varieties of the Barbadense species or any hybrid of the species or other similar types of ELS cotton,	Same as current law. (§IIII(8)).

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designated by the Secretary, having characteristics needed for various end uses for which U.S. upland cotton is not suitable, and grown in irrigated or other designated U.S. cotton-growing regions; and (B) is ginned on a roller-type gin or other authorized gin for experimental purposes. (7 U.S.C. 9011(8))

Generic base acres. The amount of cotton base acres in effect under the 2008 farm bill, as adjusted pursuant to Section 1101 of such act, as of September 30, 2013 (7 U.S.C. 9011(9)), subject to any adjustment or reduction. (7 U.S.C. 9012(d)).

Individual coverage. Type of coverage selected by a producer under the ARC program at the farm (not county) level. (7 U.S.C. 9011(10))

No comparable definition. Instead, the full text "national average market price received by producers during the 12-month marketing year" for a covered commodity is used in the PLC and ARC programs.

**Medium-grain rice.** Includes short grain rice and temperate japonica rice. (7 U.S.C. 9011(11))

Other oilseed. A crop of sunflower seed, rapeseed, canola, safflower, flaxseed, mustard seed, crambe, sesame seed, or, if designated by the Secretary, another oilseed. (7 U.S.C. 9011(12))

Payment acres. The number of acres for a farm, as determined under 7 U.S.C. 9014, that are eligible for payments under the PLC or ARC programs. (7 U.S.C. 9011(13))

Payment yield. For a covered commodity, the yield used to make counter-cyclical payments under the 2008 farm bill as in effect on September 30, 2013, or the yield established under the PLC program. (7 U.S.C.9011(14))

Price Loss Coverage (PLC). Coverage provided under the PLC program. (7 U.S.C. 9011(15))

**Producer.** Generally, an owner, operator, landlord, tenant, or sharecropper that shares in the risk of producing a crop and is entitled to share in the crop available for marketing from the farm or would have shared had the crop been produced. For a grower of hybrid seed, the existence of a hybrid seed contract and other program rules shall not adversely affect the ability to receive a payment. (7 U.S.C. 9011(16))

Pulse crop. Dry peas, lentils, small chickpeas, and large chickpeas. (7 U.S.C. 9011(17))

**Reference prices:** With respect to a covered commodity for a crop year:

- For wheat, \$5.50 per bushel (bu.).
- For corn, \$3.70 per bu.
- For grain sorghum, \$3.95 per bu.
- For barley, \$4.95 per bu.
- For oats, \$2.40 per bu.
- For long-grain rice, \$14.00 per hundredweight (cwt).

No comparable provision. Generic base acres are indirectly retained via retention of base acres as under prior law by Section IIII(4). Base acres are discussed further in Section III2.

No comparable definition.

#### Marketing year average price (MYAP).

The national average market price received by producer during the I2-month marketing year for a covered commodity. (§IIII(9))

Same as current law. (§IIII(I0))

Same as current law. (§IIII(II))

Same as current law. (§IIII(I2))

For a covered commodity, the yield used to make PLC payments under the 2014 farm bill or the yield established in Section 1113. (§1111(13))

Same as current law. (§IIII(I4))

Same as current law. (§IIII(I5))

Same as current law. (§IIII(16))

Same as current law (Section 1111(17)) but with the following addition:

Reference price for temperate japonica rice. To reflect price premiums, the reference price for temperate japonica rice equals \$14.00 per cwt., as adjusted by the formula for calculating the effective reference price (Section IIII(17)) multiplied by the ratio of the simple average of the MYAP of medium-grain rice from crop years 2012-2016 divided by the simple

#### **Current Law/Policy** House Passed Bill (H.R. 2) For medium-grain rice, \$14.00 per cwt. average of the MYAP of all rice from crop years 2012-2016. (§1116(g)) For soybeans, \$8.40 per bu. For other oilseeds, \$20.15 per cwt. For peanuts, \$535.00 per ton. For dry peas, \$11.00 per cwt. For lentils, \$19.97 per cwt. For small chickpeas, \$19.04 per cwt. For large chickpeas, \$21.54 per cwt. For seed cotton, \$0.367 per lb. (7 U.S.C. 9011(18)) Secretary. The Secretary of Agriculture. (7 U.S.C. 9011(19)) Same as current law. (§1111(18)) Seed cotton. Unginned upland cotton that includes both lint Same as current law. (§1111(19)) and seed. (7 U.S.C. 9011(20)) State. Each of the U.S. states, the District of Columbia, the Same as current law. (§IIII(20)) Commonwealth of Puerto Rico, and any other U.S. territory or possession. (7 U.S.C. 9011(21)) Temperate japonica rice. Rice that is grown in high altitudes Same as current law. (§IIII(21)) or temperate regions of high latitudes with cooler climate conditions in the Western United States, as determined by the Secretary, for the purpose of the reallocation of base acres, the establishment of a reference price and an effective price, and the determination of the actual crop revenue and ARC guarantee. (7 U.S.C. 9011(22)) Transitional yield. Defined in Section 502(b) of the Federal Same as current law. (§IIII(22)) Crop Insurance Act (7 U.S.C. 1502(b)(11)) as the maximum average production per acre or equivalent measure that is assigned to acreage for a crop year by the Federal Crop Insurance Corporation (FCIC) whenever the producer fails to certify that acceptable documentation of production and acreage for the crop year is in the possession of the producer or present the acceptable documentation. (7 U.S.C. 9011(23)) United States. When used in a geographical sense, all of the Same as current law. (§IIII(23)) states. (7 U.S.C. 9011(24)) United States premium factor. The percentage by which the Same as current law. (§IIII(24)) difference in the U.S. loan schedule premiums for Strict Middling I 1/8-inch upland cotton and for Middling I 3/32-inch upland cotton exceeds the difference in the applicable premiums for comparable international qualities. (7 U.S.C. 9011(25))

#### **PLC and ARC Programs**

#### **Base Acres**

One-time reallocation of base acres among covered commodities. Crop-specific base acres were subject to a producer's one-time choice to retain base acres or undertake a reallocation of total farm base acres among covered commodities based on average shares of planted base by commodity during the 2009-2012 period. Generic base acres are retained and may not be reallocated. (7 U.S.C. 9012(a))

No comparable provision.

Base acres (subject to the previous one-time reallocation choice) are included through the retention of crop-specific base acres under prior law. (§1114(a))

**Seed cotton base acres.** Not later than May 10, 2018, the Secretary shall require the owner of a farm to allocate all generic base acres based on whether the farm has a recent history of covered commodities (including seed cotton) being planted or prevented from being planted during the 2009-2016 crop years.

If a farm has no such recent history, then the farm owner allocates the farm's generic base to unassigned crop base for which no ARC or PLC payments may be made.

If a farm has such a recent history, then the farm owner allocates the farm's generic base among seed cotton and other covered commodities as (A) to seed cotton base acres in a quantity equal to the greater of 80% of generic base acres or the average of seed cotton acres planted or prevented from being planted on the farm during the 2009-2012 crop years (not to exceed the farm's total generic base acres) or (B) to commodity-specific base acres in proportion to each crop's share of planted (or prevented from being planted) acreage during 2009 to 2012. Following the base allocation under either (A) or (B), any residual generic base acres shall be allocated to unassigned crop base for which no ARC or PLC payments may be made.

If a farm owner fails to make an election for generic base, then the farm owner shall be deemed to have elected to allocate all generic base acres in accordance with formulation (A) above. (7 U.S.C. 9014(b)(4))

Adjustments to base. Base acres are increased/decreased when land leaves/enters conservation programs (7 U.S.C. 9012(b)).

Prevention of excess base acres. Base is reduced if the sum of the base acres for the farm (including any new oilseed acreage and generic base acres) plus any acreage in the Conservation Reserve Program or the Wetlands Reserve Program (or any other federal conservation program that makes payments in exchange for not producing a crop) exceeds the actual cropland acreage on the farm. An exception shall be made in the case of certain double-cropped acreage as determined by the Secretary. The owner of the farm shall be given an opportunity to select the base acres that will be reduced. (7 U.S.C. 9012(c))

Reduction of base acres. The farm owner may reduce, at any time, base acres for any covered commodity. Such reduction shall be permanent. Base is reduced proportionately when acreage has been subdivided and developed for multiple residential units or other non-farming uses. (7 U.S.C. 9012(d))

No comparable provision.

No comparable provision.

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No comparable provision.

Seed cotton base acres are included indirectly through the retention of crop-specific base acres under prior law. (§1114(a))

The same as current law. (§III2(a))

The same as current law. (§1112(b))

Reduction of base acres is the same as current law (§1112(c)(1-2)) but with two additional provisions under Section 1112(c)(3) and Section 1112(c)(4).

Treatment of unplanted base. If no base acres are planted to a covered commodity during the period January 1, 2009, to December 31, 2017, then all the base acres on that farm are allocated to unassigned crop base for which no payment shall be made. (§1112(c)(3))

#### Reconstitution of farm to expand base.

The Secretary shall ensure that a farm may not be reconstituted after the date of enactment of this section to alter the treatment of base acres. (§1112(c)(4))

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#### **Payment Yields**

Payment yields. For making PLC program payments, all covered commodities must use a program yield to derive a peracre payment rate. In this regard, the Secretary shall establish a program yield for each farm for any designated oilseed for which a payment yield was not established under Section 1102 of the 2008 farm bill (7 U.S.C. 9013(a)); for designated oilseeds, such a payment yield on a farm equals the product of the average yield per planted acre for the 1998-2001 crop years (excluding years in which acreage planted was zero) and the ratio of the national average yield for the 1981-1985 crops and the national average yield for the 1998-2001 crops. If the yield per planted acre for a designated oilseed for any of the 1998-2001 crop years was less than 75% of the county yield for that designated oilseed, the Secretary shall assign a yield "plug" for that crop year equal to 75% of the county yield. (7 U.S.C. 9013(b))

For other covered commodities, see the discussion under 7 U.S.C. 9013 (c)-(e).

Absence of payment yield. In the case of a covered commodity on a farm for which base acres have been established or that is planted on generic base acres, if no payment yield has been established, the Secretary shall establish an appropriate payment yield by taking into consideration the farm program payment yields applicable to that covered commodity for similarly situated farms. The use of such data in an appeal, by the Secretary or by the producer, shall not be subject to any other provision of law. (7 U.S.C. 9013(c))

Updating payment yields. The owner of a farm was given a one-time opportunity to update, on a covered commodity-by-covered-commodity basis, the payment yield used in calculating PLC payments for each covered commodity for which the PLC election was made. The election shall be made at a time and manner to be in effect beginning with the 2014 crop year as determined by the Secretary. The PLC payment yield update was equal to 90% of the average of the yield per planted acre for the covered commodity for the 2008-2012 crop years, excluding any crop year in which the acreage planted to the covered commodity was zero. If the yield for any of the 2008-2012 crop years was less than 75% of the average county yield, a "plug" yield was used for that crop year equal to 75% of the county average for 2008 to 2012. (7 U.S.C. 9013(d))

Payment yield for seed cotton. The payment yield for seed cotton for a farm shall be equal to 2.4 times the payment yield for upland cotton for the farm established under the 2008 farm bill, as in effect on September 30, 2013. At the sole discretion of the owner of a farm with an established yield for upland cotton, the owner shall have a one-time opportunity to update the payment yield for upland cotton, as provided in 7 U.S.C. 9013(d), for the purpose of calculating the payment yield for seed cotton. (7 U.S.C. 9013(e))

To make PLC payments, this provision continues the Secretary's authority to establish payment yields for each farm for any designated oilseed that does not have a payment yield under the 2014 farm bill. The payment yield is calculated as 90% of the most recent five-year-average yield (excluding any year in which the yield was zero). Provides that this subsection only applies to oilseeds designated after the date of enactment of the Agriculture and Nutrition Act of 2018. (§1113(a))

Authorizes the Secretary to establish a payment yield if no payment yield is otherwise established for a covered commodity using the program payment yields of similarly situated farms. (§1113(b))

#### Yield update for drought-affected

counties. Provides a one-time opportunity for a farm owner to update yields where the farm is located in a county that experienced 20 or more consecutive weeks of exceptional drought (rated D4 by the U.S. Drought Monitor) between January I, 2008, and December 31, 2012. On a covered-commodity by coveredcommodity basis, yields may be updated as 90% of average yield per planted acre for 2013-2017 crop years. If the farm-level yield is less than 75% of the average county yield for a covered commodity for any of the years (excluding any year in which the yield was zero), then the Secretary shall assign 75% of the 2013-2017 average county yield for the covered commodity for that crop year. The election must be made prior to the 2019 crop year. (§1113(c))

The average yield for seed cotton per planted acre equals 2.4 times the average yield for upland cotton per planted acre. At the discretion of the owner of a farm that meets the drought criteria described in this section, the owner may update the payment yield for upland cotton, using the same method as described in this section. (§1113(c))

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#### **Payment Acres**

**Payment acres.** With respect to PLC and county-level ARC payments, payment acres are 85% of the base acres of a covered commodity on a farm. For individual (farm-level) ARC, the payment acres equal 65% of the base acres for all of the covered commodities on the farm.

Generic base is eligible for payments if a covered crop is planted on the farm. Specifically, for each crop year, generic base acres are attributed (i.e., temporarily designated as) base acres to a particular covered commodity base in proportion to that crop's share of total plantings of all covered commodities in that year. The amount of generic base attributed for a particular year cannot exceed the acreage planted to covered crops in that year (use of double-cropping for payment calculations is not allowed unless the practice is approved by the Secretary). (7 U.S.C. 9014)

**Exclusion from payment acres.** Payment acres may not include any crop subsequently planted during the same crop year on the same land for which the first crop is eligible for PLC or ARC payments unless the crop was approved for double cropping as determined by the Secretary. (7 U.S.C. 9014(c))

Minimal payment acres. A producer on a farm may not receive PLC payments or ARC payments if the sum of the base acres on the farm is 10 acres or less except for socially disadvantaged farmers/ranchers or limited resource farmers/ranchers. (7 U.S.C. 9014(d))

Effect of planting fruits and vegetables on payment acres. Any crop may be planted without effect on base acres. However, payment acres on a farm are reduced in any crop year in which fruits, vegetables (other than mung beans and pulse crops), or wild rice (FVWR) have been planted on base acres. The reduction to payment acres is one-for-one for each acre planted to these crops in excess of 15% of base acres for either the PLC or county coverage under the ARC program and in excess of 35% of base acres for ARC individual coverage. (7 U.S.C. 9014(e)(1-3))

No reduction to payment acres shall be made under this subsection, as determined by the Secretary, if FVWR are grown solely for conservation purposes and not harvested for use or sale or if a region has a history of double-cropping covered commodities with FVWR and the FVWR were so double-cropped on the base acres. (7 U.S.C. 9014(e)(4))

Unassigned crop base. Requires the Secretary to maintain information on generic base acres on a farm allocated as unassigned crop base under the formulation for seed cotton base acres. (7 U.S.C. 9014(b)(4)(B,D); 7 U.S.C. 9014(f))

Continues the establishment of payment acres for PLC and county-level ARC payments for each covered commodity on the farm at 85% of the base acres. (§1114(a))

No reference is made to the individual farmlevel ARC program or its associated payment acres.

No comparable provision.

Same as current law. (§III4(b))

Same as current law. (§III4(c))

Requires the Secretary to maintain information on unassigned crop base acres on a farm under the one-time reallocation of base acres under the 2014 farm bill and prevention of excess base acres. (§1114(d))

#### **Producer Election**

**Producer election.** For the 2014-2018 crop years, all producers involved in a single farm operation had to unanimously make a one-time, irrevocable election to obtain either (1) PLC or county-level ARC on a covered-commodity-by-covered-commodity basis or (2) ARC individual coverage applicable to all

For the 2019-2023 crop years, all producers involved in a single farm operation must unanimously make a one-time, irrevocable election to obtain either PLC or county-level ARC on a covered-commodity-by-covered-

# of the covered commodities on the farm. Failure to make a unanimous election for the 2014 crop year results in no program payments to the farm for the 2014 crop year, and the producers on the farm are deemed to have elected PLC for all covered commodities on the farm for the 2015-2018 crop years. If all the producers on a farm selected ARC county coverage for a covered commodity, the Secretary could not make PLC payments to the producers on the farm with respect to that covered commodity. If all the producers on a farm selected individual coverage, payment calculations included the producer's share of all farms in the same state in which the producer has an interest and for which individual coverage was selected. Producers on a farm cannot reconstitute the farm to void or

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#### commodity basis. (§III5(a))

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 producers on the farm are deemed to have elected PLC for all covered commodities on the farm for the 2020-2023 crop years. (§1115(b)) Prohibits farm reconstitution to void or change an election made under this section. (§1115(c))

#### Price Loss Coverage (PLC) Program

change a program election. (7 U.S.C. 9015)

**PLC.** Establishes the PLC program for crop years 2014-2018. PLC payments are made on a farm where the owners have unanimously elected to participate in PLC on a covered commodity-by-covered-commodity basis if the effective price is less than the reference price. (7 U.S.C. 9016(a))

Requires the Secretary to make PLC payments on a covered-commodity-by-covered-commodity basis where all of the producers on a farm have elected PLC for crop years 2019-2023 when the effective price for a crop year is less than the effective reference price. (§1116(a))

#### **PLC Effective Price**

**Effective price.** The higher of (I) the "national average market price received by producers during the I2-month marketing year" for the covered commodity, as determined by the Secretary, or (2) the national average loan rate for a marketing assistance loan. **(7 U.S.C. 9016(b))** 

Same as current law. (§ I I I 6(b))

Effective price for barley. The all-barley price. (7 U.S.C. 9016(f))

Effective price for seed cotton. The MYAP for seed cotton, calculated as the quotient obtained by dividing (A) the sum obtained by adding (i) the product of the upland cotton lint MYAP and total U.S. upland cotton lint production, measured in pounds, and (ii) the product of the cottonseed MYAP and total U.S. cottonseed production, measured in pounds; by (B) the sum of total U.S. upland cotton lint production and total U.S. cottonseed production, both measured in pounds. (7 U.S.C. 9016(h)).

Same as current law. (§III6(f))

Same as current law.

#### **PLC Payment Rate and Payment Amount**

PLC payment rate. The difference between the reference price in statute and the MYAP or loan rate, if higher. (7 U.S.C. 9016(c))

**PLC** payment amount. If PLC payments for a covered commodity are triggered for any of crop years 2014-2018, the payment amount equals the payment rate times payment acres times payment yield. (7 U.S.C. 9016(d))

Timing of PLC payment. Payments shall be made beginning October I, or as soon as practicable thereafter, after the end of the applicable marketing year for the covered commodity. (7 U.S.C. 9016(e))

Same as current law. (§III6(c))

If PLC payments for a covered commodity are triggered for any of crop years 2019-2023, the payment amount equals the payment rate times payment acres times payment yield. (§1116(d))

Same as current law. (§III6(e))

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#### Agricultural Risk Coverage (ARC) Program

**ARC.** Establishes the ARC program as either a county-level, commodity-specific ARC or an individual whole-farm ARC. Under the "producer election" (7 U.S.C. 9015), producers may select county-level ARC or PLC on a commodity-by-commodity basis for each farm or select individual farm-level ARC for all covered commodities on the farm.

ARC payments for a crop year are triggered if the actual crop revenue is less than its ARC guarantee. Both the actual crop revenue and ARC guarantee are calculated differently based on the producer's election choice: either county- or farm-level ARC. (7 U.S.C. 9017(a))

**Actual crop revenue.** The actual crop revenue varies with the choice of county-level or farm-level ARC.

County coverage for a crop year of a covered commodity: actual crop revenue per acre equals the actual average county yield per planted acre for a covered commodity times the higher of the MYAP, or the national average marketing assistance loan rate.

Individual (farm-level) coverage. Actual crop revenue per acre is the producer's share of the aggregated revenue per acre for all covered commodities planted on all farms for which individual coverage has been selected. Actual crop revenue per acre equals the sum of covered commodity revenue (total production of each covered commodity on such farms times the higher of (i) the MYAP or (ii) the national average loan rate) divided by the total planted acres of all covered commodities on such farms. (7 U.S.C. 9017(b))

**ARC revenue guarantee.** ARC guarantee per acre equals 86% times the benchmark revenue. The benchmark revenue varies with the choice of county-level or individual (farm-level) ARC.

For county ARC coverage for a covered commodity for a crop year, benchmark revenue per acre equals the recent five-year average county yield (excluding the years with the highest and lowest yields, or "Olympic average") times the covered commodity's Olympic MYAP for the most recent five crop years.

For individual ARC coverage for a crop year, benchmark revenue is based on the producer's share of all covered commodities planted on all farms for which individual coverage has been selected and in which the producer has an interest. Benchmark revenue is the summation of Olympic five-year average revenue for each covered commodity aggregated across all farms with individual coverage, adjusted to reflect current-year planted acreage shares by covered commodity. (7 U.S.C. 9017(c))

Yield conditions in ARC actual revenue and revenue guarantee calculations. If, for the covered commodity for any of the five most recent crop years, the yield per planted acre or historical county yield per planted acre is less than 70% of the transitional yield, then 70% of the transitional yield shall be used for those years. (7 U.S.C. 9017(c)(4))

Reference price in ARC revenue guarantee. The reference price is used if the MYAP for any of the five most recent crop years is lower than the reference price. (7 U.S.C. 9017(c)(5))

Requires the Secretary to make ARC payments if all of the producers on a farm have elected ARC for crop years 2019-2023 if a covered commodity's crop-year actual crop revenue is less than its ARC guarantee. (§1117(a))

(Refers only to the county-level ARC. Does not include the individual ARC coverage option.)

Defines actual crop revenue specific to county-level ARC for a crop year for a covered commodity as the product of the actual average county yield per planted acre for a covered commodity times the higher of the MYAP or the national average marketing assistance loan rate. (§1117(b))

By omission, individual (farm-level) ARC expires at the end of the 2018 crop year.

Same as current law. (§III7(c))

Same as current law. (§III7(c)(3))

Same as current law. (§III7(c)(4))

ARC payment rate. The payment rate for a covered commodity, in the case of either county coverage or individual coverage, is equal to the lesser of (I) the amount that the ARC guarantee exceeds the actual crop revenue for the crop year or (2) 10% of the benchmark revenue for the crop year. (7 U.S.C. 9017(d))

ARC payment amount. If ARC payments are required to be paid for any of the 2014-2018 crop years, then the payment amount equals the payment rate times the payment acres. (7 U.S.C. 9017(e))

Timing of ARC payments. Payments shall be made beginning October I, or as soon as practicable thereafter, after the end of the applicable marketing year for the covered commodity. (7 U.S.C. 9017(f))

Additional duties of the Secretary. In providing ARC, the Secretary shall use all available information and analysis, including data mining, to check for anomalies in the determination of ARC payments, calculating a separate actual crop revenue and ARC guarantee for irrigated and nonirrigated covered commodities, and, if necessary, assist with yield determinations as follows:

For individual coverage, if the Secretary determines that the farm has planted acreage in a quantity that is insufficient to calculate a representative average yield for the farm, then the Secretary will assign an average yield for a farm on the basis of the yield history of representative farms in the state, region, or crop reporting district, as determined by the Secretary; and

For county coverage, if the Secretary cannot establish the actual or benchmark county yield for each planted acre for a crop year for a covered commodity in the county, or the yield is an unrepresentative average yield for the county, then the Secretary will assign an actual or benchmark county yield for each planted acre for the crop year for the covered commodity on the basis of the yield history of representative farms in the state, region, or crop reporting district, as determined by the Secretary. (7 U.S.C. 9017(g))

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The payment rate for a covered commodity is equal to the lesser of (I) the amount that the ARC guarantee exceeds the actual crop revenue for the crop year or (2) 10% of the benchmark revenue for the crop year. (§1117(d))

If ARC payments are required to be paid for any of the 2019-2023 crop years, then the payment amount equals the payment rate times the payment acres. (§1117(e))

Same as current law. (§III7(f))

Sets forth additional duties of the Secretary, including using available information and analysis to check for anomalies in the determination of ARC payments; calculating a separate actual crop revenue and agriculture risk coverage guarantee for irrigated and nonirrigated covered commodities; assigning an actual or benchmark county yield for planted acres for a covered commodity for a crop year using first Risk Management Agency data, if sufficient, or, second, other sources of data as determined by the Secretary, or, third, the yield history of representative farms in the state, region, or crop reporting district; and making payments using the payment rate of the county of the physical location of the base acres of a farm. (§1117(g))

#### **Producer Agreements**

**Producer agreements.** The Secretary may require producers agree to comply with certain provisions in exchange for receiving payments, issue rules to ensure compliance, and modify compliance requirements.

Eligibility for PLC and ARC payments and marketing loans requires producers to comply with conservation and wetland protection, control noxious weeds, maintain sound agricultural practices, and use the farm's land attributable to base acres for agricultural or conserving use and not for nonagricultural commercial, industrial, or residential use as determined by the Secretary. (7 U.S.C. 9018(a))

**Termination of payments.** A transfer of or change in the interest of the producers on a farm will result in the termination of payments unless the transferee or owner agrees to assume all compliance obligations. An exception to payment termination is made for producers who die or become incapacitated. **(7 U.S.C. 9018(b))** 

Same as current law. (§1118(a))

Same as current law. (§1118(b))

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Annual acreage reports. Eligibility for PLC and ARC payments and marketing loans requires producers to submit annual acreage reports. (7 U.S. Annual Crop Production reports. C. 9018(c))

Same as current law. (§III8(c))

Eligibility for ARC payments for individual (i.e., the whole-farm, farm-level) coverage (as opposed to the crop-specific, county-level ARC program) requires a producer to submit annual production reports for each covered commodity that is covered by the farm's ARC individual program—as produced on all farms in the same State. [7 U.S.C. 9018(d)]

No comparable provision.

**Effect of inaccurate reports.** No penalties (with respect to benefits under PLC, ARC, or marketing loans) can be assessed against a producer for an inaccurate acreage or production report unless the Secretary determines that the producer knowingly and willfully falsified the report. (7 U.S.C. 9018(e))

Same as current law. (§III8(d))

The Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers and shall provide for the sharing of payments among producers on a farm. (7 U.S.C. 9018(f-g))

Same as in current law. (§1118(e-f))

#### Nonrecourse Marketing Assistance Loan Program

Nonrecourse marketing loans are available for any amount of loan of a loan commodity (see list below) produced in crop years 2014-2018. To receive a marketing assistance loan, a producer must comply with applicable conservation and wetland protection requirements during the term of the loan. (7 U.S.C. 9031)

Authorizes nonrecourse loans for loan commodities for 2019-2023 crop years in the same manner as current law. Retains the requirement that producers must comply with applicable conservation and wetland protection requirements. (§1201)

Peanuts nonrecourse marketing loans, authorized separately, may be obtained through a marketing cooperative or association approved by USDA. Storage to be provided on a non-discriminatory basis and under any additional requirements. USDA shall pay storage, handling, and other associated costs incurred for peanuts placed under loan. Such costs must be repaid if the peanuts under loan are redeemed but not if forfeited. (7 U.S.C. 9031(e))

Same as current law. (§1201(e))

**Loan commodities and loan rates.** For crop years 2014-2018, the loan rate for a nonrecourse marketing assistance loan for each loan commodity is as follows:

- Wheat, \$2.94 per bu.
- Corn, \$1.95 per bu.
- Grain sorghum, \$1.95 per bu.
- Barley, \$1.95 per bu.
- Oats, \$1.39 per bu.
- ELS cotton, \$0.7977 per lb.
- Long-grain rice, \$6.50 per cwt.
- Medium-grain rice, \$6.50 per cwt.
- Soybeans, \$5.00 per bu.
- Other oilseeds, \$10.09 per cwt. for sunflower seed, rapeseed, canola, safflower, flaxseed, mustard seed, crambe, sesame seed, or any other oilseeds designated by the Secretary.

Continues the loan rates for commodities in current law for the 2019-2023 crop years, except (as described in Section 1202(a)(6))d for an adjustment to upland cotton and establishing a loan rate for seed cotton of \$0.25 per lb. (§1202)

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- Dry peas, \$5.40 per cwt.
- Lentils, \$11.28 per cwt.
- Small chickpeas, \$7.43 per cwt.
- Large chickpeas, \$11.28 per cwt.
- Graded wool, \$1.15 per lb.
- Nongraded wool, \$0.40 per lb.
- Mohair, \$4.20 per lb.
- Honey, \$0.69 per lb.
- Peanuts, \$355 per ton.

(7 U.S.C. 90321)

**Upland cotton loan rate.** The simple average of the adjusted prevailing world price for the two immediately preceding marketing years but in no case less than \$0.45 per lb. or more than \$0.52 per lb. (announced October I preceding the next domestic plantings). (7 U.S.C. 9032(a)(6))

Single county loan rate for other oilseeds is established in each county for each other kind of oilseed. (7 U.S.C. 9032(b))

**Seed cotton loan rate.** Only for implementation of the PLC and ARC programs, the loan rate for seed cotton is deemed to be \$0.25 per lb. This does not authorize a seed cotton nonrecourse marketing loan. (7 U.S.C. 9032(c))

**Term of loans.** Nine months after the day the loan is made. Extensions prohibited. **(7 U.S.C. 9033)** 

Repayment of loans. Loans may be repaid at the lesser of (I) the loan rate plus interest, (2) a rate based on average market prices during the preceding 30-day period, or (3) a rate determined by USDA that will minimize forfeitures, accumulation of stocks, storage costs, market impediments, and discrepancies in benefits across states and counties. Excludes upland cotton, rice, ELS cotton, confectionery, and each kind of sunflower seed (other than oil sunflower seed). (7 U.S.C. 9034(a))

**Special repayment rates.** For upland cotton, long-grain rice, and medium-grain rice, repayment may be at the lesser of the loan rate plus interest or the prevailing world price for the commodity adjusted to U.S. quality and location. (**7 U.S.C. 9034(b)**) ELS cotton repayment rate is the loan rate plus interest. (**7 U.S.C. 9034(c)**) For confectionery and each kind of sunflower seed (other than oil sunflower seed), loans must be repaid at the lesser of the loan rate plus interest or the repayment rate for oil sunflower seed. (**7 U.S.C. 9034(f)**)

Prevailing world market price. The Secretary shall prescribe by regulation a formula to determine the prevailing world market price for each of upland cotton, long-grain rice, and mediumgrain rice and a mechanism to announce periodically prevailing world market prices. (7 U.S.C. 9034(d)) Provides explicit market conditions to USDA for adjustments to the prevailing world market price for quality and location (both rice and upland cotton) and additionally the potential for loan forfeitures (upland cotton). (7 U.S.C. 9034(e))

The simple average of the adjusted prevailing world price for the two immediately preceding marketing years but in no case more than \$0.52 per lb. nor less than \$0.45 per lb. or an amount equal to 98% of the loan rate for the preceding year (announced October I preceding the next domestic plantings). (§1202(a)(6))

Same as current law. (§1202(b))

Same as in current law. (§1202(c))

Same as current law. (§1203)

Same as current law. (§1204(a))

Same as current law. (§1204(b,c,f))

Same as current law. (§1204(d,e))

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Payment of cotton storage costs. For each of crop years 2014-2018, the Secretary shall make cotton storage payments available in the same manner and at the same rates as the Secretary provided storage payments for the 2006 crop of cotton, except that the rates shall be reduced by 10%. (7 U.S.C. 9034(g))

Extends current law for crop years 2019-2023. (§1204(g))

Repayment rate for peanuts. Loans may be repaid at the lesser of (1) the loan rate plus interest or (2) a rate determined by USDA that will minimize forfeitures, accumulation of stocks, storage costs, market impediments, and discrepancies in benefits across states and counties. (7 U.S.C. 9034(h))

Same as current law. (§1204(h))

Authority to temporarily adjust repayment rates. USDA may temporarily, and on a short term basis only, adjust the repayment rates in the event of a severe disruption to marketing, transportation, or related infrastructure. (7 U.S.C. 9034(i))

Same as current law. (§ I 204(i))

Loan deficiency payments (LDPs). For the crop years 2014-2018, USDA makes available LDPs to producers who agree to forego marketing loans. An LDP is computed by multiplying the payment rate (the amount that the loan rate exceeds the rate at which a marketing loan may be repaid) for the commodity times the quantity of the commodity produced. LDPs are available for unshorn pelts or hay and silage, even though they are not eligible for marketing loans. ELS cotton is not eligible. Payment rates determined using the rate in effect as of the date that producers request payment. (Producers do not need to lose beneficial interest.) (7 U.S.C. 9035)

Extends current law for crop years 2019-2023. (§1205)

Payments in lieu of LDPs are available for grazed acreage of wheat, barley, oats, or triticale if a producer forgoes harvesting any crop from that acreage. Crop production on the grazed acreage is not eligible for crop insurance or noninsured crop assistance. (7 U.S.C. 9036)

Extends current law for crop years 2019-2023. (§1206)

Special marketing loan provisions for upland cotton. Imposes a special import quota on upland cotton without an expiration date beginning on August 1, 2014, when price of U.S. cotton, delivered to a definable and significant international market, exceeds the prevailing world market price for four weeks. (7 U.S.C. 9037(b)) Limited global import quota is imposed on upland cotton when U.S. prices average 130% of the previous three-year average of U.S. prices. (7 U.S.C. 9037(b))

Continues both provisions in the same manner as current law without an expiration date beginning on August 1, 2019. (§1207(a,b))

Economic adjustment assistance to users of upland cotton provides assistance to domestic users of upland cotton for uses of all cotton regardless of origin to acquire, construct, install, modernize, develop, convert, or expand land, plant, buildings, equipment, facilities, or machinery. Rate is \$0.03 per lb. effective beginning August 1, 2013. (7 U.S.C. 9037(c`)).

Extends without an expiration date the economic adjustment assistance to users of upland cotton at the rate of \$0.0315 per lb. (§1207(c))

Special competitive provisions for ELS cotton. Payments to domestic users and exporters are triggered whenever the world market price for the lowest priced ELS cotton is below the prevailing U.S. price for a competing growth of ELS cotton for a four-week period and the lowest priced competing growth of ELS cotton is less than 134% of the loan rate for ELS cotton. Effective through July 31, 2019. Payments equal the difference between the trigger prices (above) times the amount purchased by domestic users or exported by exporters in the week

Continues the authorization through July 31, 2024, of the special competitive provisions for ELS cotton but adjusts the payment trigger to whenever the world market price for the lowest priced ELS cotton is below the prevailing U.S. price for a competing growth of ELS cotton for a four-week period and the lowest priced competing growth of ELS cotton is less than 113% of the loan rate for ELS cotton. This

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following the four-week trigger period. (7 U.S.C. 9038)

adjustment, in turn, alters the value of assistance available to domestic users of upland cotton. (§1208)

Availability of recourse loan. For crop years 2014-2018, recourse loans for high-moisture feed grains and seed cotton are available for farms that normally harvest corn or sorghum in a high-moisture condition at rates set by the USDA. For recourse loans for seed cotton, repayment is at loan rate plus interest. (7 U.S.C. 9039)

Continues the authorization for recourse loans for certain crops for the 2019-2023 crop years in same manner as current law except for the addition of a provision providing for recourse loans for commodities that are contaminated but still merchantable. (§1209)

Adjustment of loans. Adjustments are authorized for any commodity (other than cotton) based on differences in grade, type, quality, location, and other factors. Allows county loan rates as low as 95% of the U.S. average if it does not increase outlays. Prohibits adjustments that would increase the national average loan rate. For cotton, loan rates may be adjusted for differences in quality factors (made after consultation with the U.S. cotton industry). For rice, loan rates may be adjusted for differences in grade and quality (including milling yields). (7 U.S.C. 9040)

Continues the authorization to adjust loan rates in the same manner as current law except for the inclusion of cost-saving option authority for the Secretary that requires the consideration of methods that minimize the potential for loan forfeitures. (§1210)

#### Sugar Program

Price support program. Requires USDA to the maximum extent practicable to operate the sugar nonrecourse loan program at no net cost by avoiding loan forfeitures to the CCC (i.e., no outlays recorded). (7 U.S.C. 7272 (f)) Directs USDA to maintain market prices above loan rates by (I) limiting amount of sugar that processors of sugar beets and sugarcane sell into the U.S. market under marketing allotments (see Flexible Marketing Allotments below), (2) restricting imports under a quota (see Import Quotas below), and (3) operating the feedstock flexibility program for bioenergy producers (i.e., sugarto-ethanol program) under specified conditions. (7 U.S.C. 1359aa et seq., 7 U.S.C. 8110)

Same as current law except that all pricesupport-related provisions are extended through the 2023 crop year. (§1301) Extends the feedstock flexibility program (i.e., sugar-toethanol program) through 2023 crops.

Maintains sugar loan rates through the 2018 crop year at \$0.1875 per lb. for raw cane sugar and \$0.2409 per lb. for refined beet sugar. Continues other provisions found in prior law. (7 U.S.C. 7272 (a, b, c, d, e, g, h, i))

Flexible marketing allotments for sugar. Limits amount of sugar for food that processors can sell into the domestic market for human consumption each year (equal to a national "overall allotment quantity," divided between sugarcane and sugar beet sectors, and then allocated to individual processors). Requires USDA each year to set the overall allotment quantity at not less than 85% of estimated U.S. human consumption. (7 U.S.C. 1359aa-1359jj, 1359ll)

Same as current law except that all provisions are extended through the 2023 crop year. (§1301).

Import quotas. For each marketing year, requires USDA by October I to set the initial sugar import quota at I.256 million short tons—the minimum spelled out in a U.S. multilateral trade commitment to other World Trade Organization member countries. Stipulates that this quota can be raised only before the midpoint of the year (April I) in case of an emergency sugar shortage caused by a weather disaster, war, or a similar event determined by the Secretary. Specifies steps to be followed to increase imports in the event of such a shortage. For each marketing year, grants USDA discretionary authority to increase

Same as current law except that all provisions are extended through the 2023 crop year. (§1301).

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the sugar quota beginning on April I in order to allow for reassignment of imports and to address any domestic shortages so long as additional quota imports will not result in sugar loan forfeitures. (7 U.S.C. 1359 kk)

# **Dairy Programs**

# Repeal or Reauthorization of Dairy Programs

Dairy Product Donation Program (DPDP). Requires USDA to purchase dairy products at prevailing market prices when the dairy margin (milk price-feed costs) is \$4.00 per cwt. or lower for two-consecutive months. DPDP purchases end when certain conditions occur, such as three-consecutive months of purchases, or the margin moves higher than \$4.00/cwt. Purchased dairy products are to be given to low-income populations utilizing the services of public and private nonprofit groups. DPDP is funded through the CCC. Expires December 31, 2018. (7 U.S.C. 9071)

Repeals DPDP. (§1406)

Dairy Forward Pricing Program. Authorizes a dairy forward pricing program. Prices paid by milk handlers under forward contracts are deemed to satisfy the minimum price requirements of federal milk marketing orders. Forward contracts apply only to milk purchased for manufactured products (Classes II, III, and IV) and excludes milk purchased for fluid consumption (Class I). Expires on September 30, 2018. (7 U.S.C. 8772)

Extends program through FY2023. Allows for new contracts until September 30, 2023, but no contract can extend beyond September 30, 2026. (§1403)

**Dairy Indemnity Program.** Authorizes payments to dairy farmers when a public regulatory agency directs removal of raw milk from the market because of contamination by pesticides, nuclear radiation or fallout, or toxic substances and other chemical residues. Expires September 30, 2018. **(7 U.S.C. 4551)** 

Extends program through FY2023. (§1404)

Dairy Promotion and Research Program. The Dairy Production Stabilization Act of 1983 authorized a generic dairy product promotion, research, and nutrition education program, funded by a mandatory \$0.15 per cwt. assessment on milk produced/marketed in the 48 contiguous states. Importers in all 50 states, the District of Columbia, and Puerto Rico must also pay an assessment rate of \$0.075 per cwt. on imported products. Expires September 30, 2018. (7 U.S.C. 4504)

Extends program through FY2023. (§1405)

# Dairy Risk Management Program (DRMP) for Dairy Producers

No comparable provision.

Review of data used in calculation of average feed cost. No later than 60 days from enactment, USDA is to provide the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry a report that evaluates whether the average feed costs used to calculate dairy margins are representative of actual feed costs. (§1401(a))

No comparable provision.

Corn silage report. No later than one year from enactment, USDA is to provide the committees a detailed report on the cost for dairies to use corn silage as feed and the difference between the feed cost of corn silage and corn. (§1401(b))

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No comparable provision.

Treatment of multi-producer dairy operations. In dairy operations with more than one producer, all of the producers are treated as a single dairy operation for the purposes of participating in the dairy Margin Protection Program (MPP). (7 U.S.C. 9054(b)(3))

Relation to livestock gross margin for dairy program. Dairy producers may participate in MPP or Livestock Gross Margin-Dairy (LGM-D) but not both programs. (7 U.S.C. 9054(d))

**Production history.** For MPP, the production history is equal to the highest annual milk marketings of dairy operations during any one of the three calendar years 2011, 2012, or 2013. In subsequent years, USDA shall adjust the production history to reflect any increase in the national average milk production. **(7 U.S.C. 9055(a))** 

No comparable provision.

Margin protection payments. Participating dairy operations annually elect coverage level thresholds and coverage percentage of milk production. (7 U.S.C. 9056)

Margin protection payments. Participating dairy operations may elect a coverage level threshold from \$4.00 to \$8.00 in \$0.50 increments. (7 U.S.C. 9056(a)(1))

Margin protection payments. Participating dairy operations may elect a coverage percentage, in 5% increments, from 25% to

Collection of alfalfa hay data. Not later than 120 days from enactment, the USDA National Agricultural Statistics Service is to revise monthly price survey reports to include the prices for high-quality alfalfa hay for the top five milk producing states, by volume, in the month prior to the reported monthly price. (§1401(c))

In multi-producer dairy operations, registration information may be excluded for producers with less than 5% ownership or who are entitled to less than 5% of income, revenue, profit, gain, loss, expenditure, deduction, or credit in a multi-producer operation.

The dairy risk management payment to the multi-producer operation is reduced by the ownership share of the excluded owner(s) or the percentage of income, revenue, profit, gain, loss, expenditure, deduction, or credit of the excluded owner(s), whichever is greater. (§1401(d))

Amends the provision to allow dairy producers to participate in the renamed DRMP, and the LGM-D. The dual coverage cannot be on the same milk production. (§1401(e))

The DRMP uses the highest annual milk marketings during calendar years 2011, 2012, or 2013 for production history for participation through 2023. USDA is to adjust production history to reflect increases in national average milk production for calendar years ending before January 1, 2019. (§1401(f))

Limitation on changes to business structure. Amends 7 U.S.C. 9055 by adding a subsection that limits changes to business structure of participating dairy operations. USDA may not make payments to dairy operations that reorganize for the sole purpose of qualifying as new dairy operations. (§1401(f))

Amends subsection (a) by deleting annually and inserting a new subsection.

Deadline for election; duration. Not later than 90 days after enactment of DRMP, participating dairies are to elect a coverage level threshold and a coverage percentage. This election remains in effect for the duration of the DRMP. (§1401(g)(1))

Amends the section by adding \$8.50 and \$9.00 thresholds for the first 5 million pounds of milk production. (§1401(g)(2))

Amends the section by striking 25%. Dairy operations may elect a coverage percentage, in

#### **Current Law/Policy** House Passed Bill (H.R. 2) 90% of production history. (7 U.S.C. 9056(a)(2)) 5% increments, not to exceed 90% of production history. (§1401(g)(3)) **Premiums for MPP.** For the first 5 million pounds of milk Amends the producer coverage threshold production, producer premiums for coverage level thresholds premiums, per cwt., for the first 5 million per cwt. are \$0 for \$4.00, \$4.50, and \$5.00; \$0.009 for \$5.50; pounds of milk production to \$0 for \$4.00, \$0.002 for \$4.50, \$0.005 for \$5.00, \$0.008 for \$0.016 for \$6.00; \$0.040 for \$6.50; \$0.063 for \$7.00; \$0.087 for \$7.50; and \$0.142 for \$8.00. (7 U.S.C. 9057(b)(2)) as amended \$5.50, \$0.010 for \$6.00, \$0.017 for \$6.50, by the Bipartisan Budget Act (P.L. 115-123). \$0.041 for \$7.00, \$0.057 for \$7.50, \$0.090 for \$8.00, \$0.120 for \$8.50, and \$0.170 for \$9.00. (§1401(h)(1)) Time for payment of premiums. Requires USDA to provide In a technical correction, the subsection title is more than one method for participating dairies to pay premiums amended to Method of Payment of to maximize payment flexibility and program integrity. (7 U.S.C. Premiums. (§1401(h)(2)) 9057(d)) No comparable provision. Effective date. The amendments establishing the DRMP take effect 60 days after the date of enactment. (§1401(j)) Duration. The margin protection program ends on December Deletes margin protection and inserts dairy risk 31, 2018. **(7 U.S.C. 9059)** management. Amends the end date to December 31, 2023. (§1401(k)) **Conforming Amendments Related to Program Name** Subtitle D—Dairy, Part I—Margin Protection Program for Dairy Amends the heading to read "Part I—Dairy Risk Producers. (Agricultural Act of 2014 (P.L. 113-79)) Management Program for Dairy Producers." (§1401(i)(1)) **Definitions.** Section 1401 of the Agricultural Act of 2014 (P.L. Deletes paragraphs 5 and 6 of 7 U.S.C. 9051 113-79) defines certain terms of the dairy MPP. (7 U.S.C. 9051) and inserts new paragraphs that define the DRMP as the program required in Sections 1403 and 1406 of P.L. 113-79. Deletes the term margin protection in paragraphs 7 and 8 of the section. (§1401(i)(2)) Calculation of actual dairy production margin. Calculates Amends the section by striking margin protection the margin for the MPP as the difference between the feed cost and inserting dairy risk management. and all-milk price. (7 U.S.C. 9052(b)(1)) (§1401(i)(3))Establishment of MPP for dairy producers. Requires USDA The section heading is amended by deleting to establish and administer the MPP no later than September I, Establishing Margin Protection and inserting Dairy 2014. (7 U.S.C. 9053) Risk Management. The September 1, 2014, date is struck and replaced with The Secretary shall continue to administer a dairy risk management program. Margin protection payment is replaced with dairy management payment where it appears. (§1401(i)(4)) Participation of dairy operations in MPP. Describes Strikes Margin Protection from section heading. eligibility, the registration process, and the annual administrative Replaces margin protection with dairy risk fee to participate in MPP. (7 U.S.C. 9054) management in subsections (a), (b), and (c). (§1401(i)(5)) **Production history.** Describes production history in general, Margin protection program is replaced with dairy

history in the MPP. (7 U.S.C. 9055)

adjustments to production history, elections for new dairy

Margin protection payments. Describes coverage level

operations, and required information to establish production

risk management program in subsection (a)(1) of

the section. Strikes margin protection where it

appears in other parts of the section.

Dairy Risk Management replaces Margin

(§1401(i)(6))

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thresholds, coverage percentage for margin payments, and the amount of payments. (7 U.S.C. 9056)

Protection in the section heading. Strikes margin protection in each place it appears. Strikes Margin Protection from the heading of subsection (c). (§1401(i)(7))

**Premiums for MPP.** Describes premium calculations, lists premiums for different coverage level thresholds and coverage percentages, and premium obligations. (7 U.S.C. 9057)

Dairy Risk Management replaces Margin Protection in the section heading. In subsection (a), dairy risk management program replaces margin protection program. Strikes margin protection where it appears in subsection (e). (§1401(i)(8))

Effect of failure to pay administrative fees or premiums. Dairy operations that participate in MPP are legally obligated to pay administrative fees and premiums. They may not receive MPP payments if payments are in arrears. (7 U.S.C. 9058)

Strikes margin protection where it appears and replaces it with dairy risk management. (§1401(i)(9))

Administration and enforcement. The Secretary will promulgate regulations for (1) the MPP, (2) prohibiting reconstituting dairies to receive MPP payments, and (3) administrative appeals. (7 U.S.C. 9060)

Strikes margin protection where it appears and replaces it with dairy risk management. (§1401(i)(10))

# **Federal Milk Marketing Orders**

Terms—milk and its products. Sets terms of classifying milk by its use and setting a minimum price for each classified use (Class I, II, III, and IV) that handlers pay producers or cooperatives. The prices are uniform to handlers subject to adjustments for (I) volume, market, and production differentials; (2) grade or quality of milk; and (3) location for delivery of milk to handlers. The section sets minimum dollar amounts of adjustments to Class I milk by marketing areas for a hundredweight of milk at 3.5% milkfat. The minimum adjustments went into effect on December 23, 1985, and are included in a table. (7 U.S.C. 608c(5)(A))

Class I skim milk price. Amends the section by striking the minimum adjustments to Class I milk, the table of marketing area adjustments, and the effective period. The amended Class I skim milk price per cwt. is to be calculated as the simple average of the USDA reported advanced Class III and Class IV skim milk pricing factors plus applicable differential adjustments as specified in regulation plus \$0.74. (§1402(a))

The amended pricing takes effect on the first day of the first month beginning more than 120 days after enactment. (§1402(b))

The amendment is not subject to (1) the notice and comment provisions of 5 U.S.C. 553, (2) the notice and hearing requirements of 7 U.S.C. 608c, (3) the order amendment requirements of 7 U.S.C. 608c(17), or (4) the referendum section of 7 U.S.C. 608c(19). (§1402(c))

# **Agricultural Disaster Assistance Programs**

The **Livestock Indemnity Program** compensates producers at a rate of 75% of market value for livestock mortality or livestock sold at a loss caused by adverse weather or reintroduced animal attacks. (7 U.S.C. 9081(b))

Expands payments to include losses from disease that is caused or transmitted by a vector and is not controlled by vaccination or other acceptable management practices. (§1501(a))

Total payments received under the Livestock Forage Disaster Program (LFP) and Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP) are limited to \$125,000 for any crop year. (7 U.S.C. 9081(f))

Excludes ELAP from the \$125,000 per crop year payment limit. LFP remains subject to a \$125,000 per crop year payment limit. (§1501(b)(1))

No comparable provision.

Adds exclusion to the adjusted gross income limit (§1604) for participants under the Supplemental Agricultural Disaster Assistance Programs who receive more than 75% of their income from farming, ranching, or silviculture.

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# (§1501(b)(2))

# **Payment Limits**

Payment limitations. Establishes the maximum amount of payments per year to a person or legal entity from PLC and ARC payments, marketing loan gains, and LDPs for the sum of all covered commodities, except peanuts, at \$125,000. Any benefits arising from forfeiture of crops held under marketing assistance loans is not subject to a payment limit. Peanuts has a separate payment limit of \$125,000 for those same programs. (7 U.S.C. 1308(a)-(d))

Payments made to a legal entity are reduced proportionately by the ownership share of any person or legal entity that has otherwise exceeded the applicable payment limitation. (7 U.S.C. 1308(e)(3)(B)(iii))

Family member. A person to whom a member in the farming operation is related as lineal ancestor, lineal descendant, sibling, spouse, or otherwise by marriage. (7 U.S.C. 1308(a)(2))

No comparable provision.

Treatment of joint ventures and partnerships. Payment limit for joint ventures and general partnerships equals the payment limit for a person or legal entity of \$125,000 times the number of eligible persons or legal entities that comprise the businesses ownership. (7 U.S.C. 1308(e)(3)(B)(ii))

Retains the payment limit of \$125,000 per year for all covered commodities (with a separate limit for peanuts) to a person or legal entity but applies it only to the sum of PLC and ARC payments. (§1603(a)(2))

Any benefits arising from marketing loan gains, LDPs, and forfeiture of crops held under marketing assistance loans are not subject to a payment limit. (§1603(a)(3))

Amends the definition of family member (see below) (§1603(a)(1)(B)) and adds qualified pass through entity as a payment recipient subject to specific treatment (see below). (§1603(a)(1)(D))

All changes made to payment limits shall apply starting with the 2019 crop year. (§1603(d))

Revises the definition of family member to include first cousins, nieces, and nephews. (§1603(a)(1)(B))

Defines a qualified pass-through entity (QPTE). Based on the Internal Revenue Code definition (subchapter K, chapter I), QPTE includes partnerships, limited liability companies, S corporations, and joint ventures. (§1603(a)(I)(D))

Treatment of QPTE. The payment limit for joint ventures and partnerships is replaced with a broader payment limit for QPTEs that encompasses joint ventures, partnerships, limited liability companies, and S corporations. The payment limit equals the individual payment limit times the number of eligible persons or legal entities that comprise the QTPE. Thus, the payment passes through the QTPE and is attributed to its owners (either individuals or entities) depending on where taxable revenue is recognized. (§1603(b))

# Adjusted Gross Income (AGI) Limitation.

**AGI limitation.** Prohibits farm commodity program benefits (including benefits under PLC, ARC, MAL, agricultural disaster assistance, or conservation programs) to an individual or entity if AGI exceeds \$900,000. The AGI limit is calculated as the average AGI or comparable measure of the person or legal entity over the three taxable years prior to the most immediately complete taxable year. **(7 U.S.C. 1308-3a)** 

Amends AGI limitation to no longer apply to any benefits under the MAL program (§1604(a)).

Exempts QPTEs from the AGI limitation. (§1604(b))

Provides authority to Secretary to waive AGI limitation, on case-by-case basis, to protect environmentally sensitive land of special significance. (§1604 (b)(1)(B)

Applies the Section 1604 (a-b) changes starting with the 2018 crop, fiscal, or program year as appropriate. (§1604(c))

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# **Administrative Programs**

**General administration.** The Secretary may use the funds and facilities of the CCC to carry out this title (**7 U.S.C. 9091(a)**). Provides that a determination made by the Secretary under this title shall be final and conclusive (**7 U.S.C. 9091(b)**). Provides for an expedited implementation of this title: Not later than 90 days after February 7, 2014, USDA and the CCC shall promulgate such regulations as necessary (**7 U.S.C. 9091(c)**).

Continues these provisions as current law, noting that promulgation of implementing regulations shall occur not later than 90 days after enactment. (§1601(a,b,c))

Extends the suspension of permanent price

Adjustment Act of 1938 and the Agricultural

Act of 1949 for the 2019-2023 crop years for

milk through December 31, 2023. (§1602)

covered commodities, cotton, and sugar and for

authority in the Agriculture Marketing

Adjustment authority to comply with trade agreements. Provides the Secretary authority to adjust expenditures under

Provides the Secretary authority to adjust expenditures under this title to ensure that the United States remains in compliance with domestic support levels allowed under the World Trade Organization. (7 U.S.C. 9091(d))

Same as current law. (§1601(d))

Suspension of permanent price support authority.

Suspends the permanent price support authority of the Agricultural Adjustment Act of 1938 and the Agricultural Adjustment Act of 1949 for the 2014-2018 crop years (covered commodities, cotton, and sugar) and for milk through December 31, 2018. (7 U.S.C. 9092)

Prevention of deceased individuals receiving payments under farm commodity programs. at least twice each year, the secretary shall reconcile Social Security numbers of all individuals who receive payments under this chapter, whether directly or indirectly, with the commissioner of Social Security to determine if the individuals are alive. The Secretary shall preclude the issuance of payments to, and on behalf of, deceased individuals that were not eligible for payments. (7 U.S.C. 9003)

Same as current law. (§1606)

Same as current law. (§1607)

groups. (§1608)

Same as current law. (§1605)

Assignment of payments. Provides the authority for a producer who receives a payment under this title to assign the payment to someone else after proper notice to the Secretary. (7 U.S.C. 9003)

**Tracking of benefits.** Authorizes the Secretary to track the benefits provided to individuals getting payments under Titles I and II programs. **(7 U.S.C. 9003)** 

**Signature authority.** In carrying out a Title I or II program, if the Secretary approves a document, then the Secretary may not subsequently (or retroactively) determine that the document is inadequate or invalid due to the lack of authority of any person signing on behalf of another individual, entity, general partnership, or joint venture unless the person knowingly and willfully falsified the signature. **(7 U.S.C. 9003)** 

Same as current law but with the addition of a QPTE to the list of potential represented

Personal liability of producers for deficiencies. No

producer shall be personally liable for any deficiency arising from the sale of the collateral securing any nonrecourse loan unless the loan was obtained through a fraudulent representation by the producer. However, USDA may require a producer to assume liability for a deficiency in the grade, quality, or quantity of a commodity stored on a farm or delivered by the producer; failure to properly care for and preserve a commodity; or failure or refusal to deliver a commodity in accordance with a program. (7 U.S.C. 7284)

Extends current law to include the provisions of this bill. (§1609)

Implementation. Requires the Secretary to maintain base

Same as current law for all provisions except:

acres and payment yields for each covered commodity. (7 U.S.C. 9097(a)) Requires the Secretary to continue to streamline administrative burdens and costs; to improve coordination, information sharing, and administrative work within USDA; and to use new technologies to enhance efficiency and effectiveness of program delivery. (7 U.S.C. 9097(b)) The Secretary shall make \$100 million available to implement this title. Additional funds are made available upon notification to House and Senate Agriculture Committees of significant progress by September 20, 2014 (\$10 million) and full implementation by September 30, 2015 (\$10 million). Also \$3 million is available for state extension services to educate farmers and ranchers of their options under this title and \$3 million to support qualified universities to develop and train producers on web-based decision aids. (7 U.S.C. 9097(c)). USDA shall use CCC funds to ensure that the MAL program and benefits are fully functional in any year that discretionary spending limits are enforced via sequestration or other means. (7 U.S.C. 9097(d))

Exemption from certain reporting requirements for certain producers. Section 1244(m) of the Food Security Act of 1985, as amended by Section 766 of the Consolidated Appropriations Act of 2018 (P.L. 115-124), stipulates that select federal grant financial reporting requirements for producers (defined as producers and landowners eligible to participate in any USDA conservation program) should not apply to Natural Resources Conservation Service (NRCS) conservation programs. (16 U.S.C. 3844(m))

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- The Secretary is required to make \$25 million available to implement this title (§1610(c)); and
- USDA shall use CCC funds to ensure that PLC and ARC payments are fully made prior to enforcing in any year where discretionary spending limits are enforced via sequestration or other budgetary means. (§1603(a)(4))

Expands the federal grant financial reporting requirement exemption for NRCS conservation programs to all USDA commodity and conservation programs administered by the Farm Service Agency and the NRCS. As written, the applicability of the exemption is unclear given that the exemption was provided for regulations directed at federal agencies in administering grant programs rather than for specific grant program regulations. (§1611)

# Table 5. Title II: Conservation

# **Current Law/Policy**

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# **Wetland Conservation**

Program ineligibility. The wetland conservation or "swampbuster" provision denies various USDA program benefits to producers who plant program crops on wetlands converted after December 23, 1985, or who convert wetlands, making agricultural commodity production possible, after November 28, 1990. For a producer to be found out of compliance, crop production does not actually have to occur; production only needs to be made possible through activities such as draining, dredging, filling, or leveling the wetland. Exemptions for compliance violators may be granted following a review. (16 U.S.C. 3821 et seq.)

Minimal effect. The Secretary is required to exempt producers that are found in violation of the wetland conservation requirements if the action is determined to have a "minimal effect" on the functional hydrological and biological value of the wetland area, including wildlife. USDA has identified categorical minimal effect exemptions for activities that are routinely determined to have a minimal effect on wetland functions. (16 U.S.C. 3822(d) and (f))

Wetland mitigation banking program. One option violators of wetland conservation have to mitigate the violation is through wetland mitigation banking. Wetland mitigation

Requires the Secretary to consider all possible exemptions before denying program benefits to producers found to be out of compliance. (§2101)

Requires that categorical minimal effect exemptions be published no later than 180 days after the date of enactment. (§2102(a))

Provides the wetland mitigation banking program with an additional \$10 million in mandatory funding authority for FY2019 and authorizes the

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banking is a type of wetlands mitigation whereby a wetland is created, enhanced, or restored, and "credit" for those efforts is sold to others as compensation for the loss of impacted wetlands elsewhere. The 2014 farm bill created a permanent wetland mitigation banking program exclusively for farmers to comply with swampbuster. The program has a onetime authorization for \$10 million in mandatory funding. (16 U.S.C. 3822(k))

appropriation of \$5 million for each of FY2019 through FY2023. (§2102(b))

# **Conservation Reserve Program (CRP)**

**Authority.** CRP is authorized through FY2018 to provide annual rental payments to producers to replace crops on highly erodible and environmentally sensitive land with long-term resource conserving plantings. (16 U.S.C. 3831(a))

Enrollment. CRP is authorized to enroll up to 27.5 million acres in FY2014, 26 million acres in FY2015, 25 million acres in FY2016, and 24 million acres in both FY2017 and FY2018. (16 U.S.C. 3831(d)(1))

CRP grassland enrollment is capped at 2 million acres between FY2014 and FY2018. (16 U.S.C. 3831(d)(2)(A))

No comparable provision. CRP acres are enrolled based on the relative environmental benefits of the land offered.

CRP contracts are 10-15 years in duration. In the case of land devoted to hardwood trees, shelterbelts, windbreaks, or wildlife corridors, the landowner may specify the duration of the contract between 10 and 15 years. (16 U.S.C. 3831(e))

All expiring CRP land is eligible for reenrollment in the program. (16 U.S.C. 3831(h))

Farmable Wetlands Program (FWP). A subprogram under CRP authorized through FY2018 to enroll up to 750,000 acres of wetland and buffer acreage in CRP. USDA may, after a review, increase the number of acres enrolled in FWP by 200,000 additional acres. (16 U.S.C. 3831b(a)-(c))

Owners and operators of FWP land must agree to (1) restore the hydrology of the wetland, (2) establish vegetative cover, (3) Reauthorizes CRP through FY2023. (§2201(a))

Increases enrollment limits to 25 million acres in FY2019, 26 million acres in FY2020, 27 million acres in FY2021, 28 million acres in FY2022, and 29 million acres in FY2023. (§2201(b)(1))

Creates a minimum CRP grassland enrollment level of 3 million acres by the end of FY2023. Incrementally increases the enrollment of grassland acres to 1 million acres in FY2019, 1.5 million acres in FY2020, 2 million acres in FY2021, 2.5 million acres in FY2022, and 3 million acres in FY2023. If USDA cannot enroll grassland acres according to the defined schedule, the unenrolled acres may not be used to enroll other eligible land into the program. (§2201(b)(2))

Minimum enrollment by state. Requires a minimum enrollment rate per state based on historical enrollment. Enrollment rates must consider the average total number of acres enrolled in each state during FY2007 through FY2016, average number of acres enrolled in CRP during FY2007 through FY2016, and the acres available for enrollment for FY2019 through FY2023. Also requires that a general sign-up be held every year. (§2201(b)(3))

Amends the duration for CRP contracts by requiring select continuous enrollment contracts to enroll for 15-30 years. (§2201(c))

Limits reenrollment for land devoted to hardwood trees to only one reenrollment. (§2201(d))

Reauthorizes FWP through FY2023. Amends buffer acreage enrollment and reduces total enrollment to not more than 500,000 acres. Deletes a provision allowing buffer acres and Conservation Reserve Enhancement Program (CREP) acres to be considered separate from the total enrollment cap. Deletes USDA's authority to increase acreage enrollment. (§2202(a)-(c))

Deletes the prohibition on commercial use. (§2202(d))

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prohibit commercial use, and (4) carry out the other duties required of all CRP contracts. (16 U.S.C. 3831b(e))

Under FWP, the Secretary is required to make rental payments and cost-share payments in accordance with CRP. Additional incentives are authorized to enroll filterstrips. (16 U.S.C. 3831b(f))

**Duties of owners and operators.** In exchange for payments under CRP, owners and operators agree to a number of requirements and restrictions on the land under contract. These requirements are outlined in the CRP contract and conservation plan. (16 U.S.C. 3832)

**Duties of the Secretary.** Certain specified activities are permitted on CRP land. Managed harvesting is allowed if it is consistent with soil conservation, water quality, and wildlife habitat (including primary nesting seasons) and in exchange for not less than a 25% reduction in annual rental rates for acres covered by the activity. Managed harvesting may occur at least every five years but not more than once every three years. Routine grazing is also permitted in exchange for not less than a 25% reduction in annual rental rate, subject to nesting season restrictions, vegetation management requirements and stocking rates, and limited to not more than once every two years (accounting for regional differences). **(16 U.S.C. 3833(b))** 

No comparable provision.

**Payments.** Land enrolled in CRP is eligible to receive costshare assistance for practices implemented. Cost-share payments are limited to 50% of the actual or average cost of establishing the practice and no more than 100% of the total cost. Hardwood trees, windbreaks, shelterbelts, and wildlife corridors are eligible for additional cost-share payments. (16 U.S.C. 3834) Reduces the annual rental rate and deletes the additional incentives for filterstrips. (§2202(e))

Adds grazing as a management activity that may be undertaken to implement a conservation plan. Allows for a conservation plan to include permitted commercial uses. Adds a requirement for hardwood and other trees, excluding windbreaks and shelterbelts, to carry out thinning and forest management practices. (§2203)

Expands permitted harvesting and grazing activities on CRP land. Caps the reduction in annual rental rate for managed harvesting at 25% and does not allow vegetative cover to be harvested for seed. Amends the frequency of harvesting to not more than once every three years and not more than 75 percent of the covered acres in accordance with a conservation plan. Routine grazing is amended to allow for grazing during periods of primary nesting season if the stocking rates are reduced by 50% in accordance with a conservation plan. Requires the frequency and duration of routine grazing to be limited to the health of established cover rather than a specific time frame. Adds a provision allowing grazing conducted as a management activity under a conservation plan to occur without a rental rate reduction.

Adds a new provision that allows for grazing on CRP land during the FSA determined "normal grazing period" under the **Livestock Forage Disaster Program (LFP)** without regard to primary nesting season if there is a 50% reduction of the normal carrying capacity determined under LFP. (§2204(b))

Adds a new provision providing that when a natural disaster or adverse weather event has the same effect as a management practice required under a conservation plan, USDA cannot require a similar management practice if the natural disaster or adverse weather event achieved the same effect. (§2204(c))

Reduces cost-share assistance. Cost-share payments are limited to 40% of the actual or average cost of establishing the practice except for seed, which is limited to 25% of the cost. No cost-share is available for contract management activities. No incentive payments, except those described below, are allowed beyond the cost of installing the practices. Removes the additional cost-share assistance for hardwood trees, windbreaks, shelterbelts, and wildlife corridors. (§2205(a))

Incentive payments are allowed for up to 150% of the total cost of thinning and other practices to promote forest management or enhance wildlife habitat. (16 U.S.C. 3834(c))

Land enrolled in CRP is eligible to receive an annual rental payment. In determining the amount to be paid, the Secretary has discretion in determining the amount necessary to encourage enrollment. (16 U.S.C. 3834(d)(1))

CRP enrollment is conducted through the submission of bids by owners and operators of eligible land. Annual rental payments under CRP contracts are determined by the Secretary in accordance with the rental rate criteria (see below). (16 U.S.C. 3834(d)(2))

Enrollment of hardwood tree acres are to be considered on a continuous basis. (16 U.S.C. 3834(d)(4))

CRP rental rates are based on soil productivity and the county average rental rate. USDA may use the National Agricultural Statistics Service's (NASS) survey estimates relating to dryland cash rental rates when determining annual rental rates. NASS is required to conduct a survey no less than once a year on county average market dryland and irrigated cash rental rates. (16 U.S.C. 3834(d)(5))

No comparable provision.

Contracts. Owners and operators were allowed to terminate their CRP contracts in FY2015 without penalty if the contract had been in place for at least five years. Land not eligible for early release includes filterstrips, waterways, strips adjacent to riparian areas, windbreaks, shelterbelts, erodibility index of more than 15, hardwood trees, wildlife habitat, duck nesting habitat, pollinator habitat, upland bird habitat buffer, wildlife food plots, State Acres for Wildlife Enhancement, shallow water areas for wildlife, rare and declining habitat, farmable wetlands, restored wetlands, diversions, erosion control structures, flood control structures, contour grass strips, living snow fences. salinity reducing vegetation, cross wind trap strips, sediment retention structures, federally designated wellhead protection areas, an easement under CRP, an average width of a perennial stream or permanent water body, and a CREP contract. Terminations become effective upon approval and payments are prorated. Land is still eligible for future CRP contracts and, if returned to production, is subject to conservation compliance requirements. (16 U.S.C. 3835(e))

**Transition Incentives Program.** The transition option under CRP facilitates the transfer of CRP acres from a retiring

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Reduces incentive payments to not more than 100% of the total cost of thinning and other practices to promote forest management or enhance wildlife habitat. (§2205(b))

Adds a requirement that when determining the amount of annual rental payments the Secretary must consider the impact on the local farmland rental market. (§2205(c)(1))

Reduces annual rental payments based on enrollment type. Newly enrolled acres receive not more than 80% of the average county rental rate (described below). Reenrolled land receives not more than a percentage of the average county rental rate for the year of reenrollment subject to the following schedule:

- First reenrollment: not more than 65%,
- Second reenrollment: not more than 55%,
- Third reenrollment: not more than 45%, and
- Fourth reenrollment: not more than 35%.

# (§2205(c)(2))

Deletes provision. (§2205(c)(3))

Requires NASS to conduct a county average rental rate survey annually and publish the survey estimate not later than September 15 each year. Requires the Secretary to use the NASS survey estimates relating to dryland rental rates when determining annual rental rates. Deletes references to "cash" rental rates. (§2205(c)(4))

**CREP.** Limits payments to states under CREP to 50% of the cost of activities carried out under the CREP agreement. (§2205(d))

Amends the early termination provisions to allow producers with a CRP contract in place for five or more years to terminate the contract in FY2019. (§2206(a))

Amends the CRP transition option to allow new owners to start the organic certification process

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owner to a beginning/socially disadvantaged/veteran producer to return land to production, and it allows the new owner to begin land improvements or start the organic certification process one year before the CRP contract expires. In exchange, the retiring owner receives up to two additional years of annual CRP rental payments following the expiration of the CRP contract. (16 U.S.C. 3835(f))

up to three years before the CRP contract expires. Requires that financial and technical assistance be provided to the new owner to carry out a conservation plan. (§2206(b))

Landowners may enroll in Conservation Stewardship Program (CSP) and conduct activities required under CSP in the final year of the CRP contract without violating the terms of the contract. (16 U.S.C. 3835(g))

Amends the provision to allow for enrollment in EQIP and conduct EQIP practices in the final year of the CRP contract without violating the terms of the contract. (§2206(c))

# **Environmental Quality Incentives Program (EQIP)**

Definitions. Five terms are defined under EQIP: eligible land, organic system plan, payment, practice, and program. Practice is defined as one or more improvements (e.g., structural, land management, or vegetative practice; forest management; and other practices defined by USDA) or conservation activities (e.g., comprehensive nutrient management plans and other plans as determined by USDA). (16 U.S.C. 3839aa-1) Under CSP, priority resource concern is defined as a resource concerned that is identified at the national, state, or local level as a priority, is significant in a state or region, and could be addressed successfully under the program. Stewardship threshold is defined as a level of management required to conserve or improve the quality and condition of a natural resource. (16 U.S.C. 3838d(5) and (7))

Amends the definition of *practice* by adding precision conservation management planning and the use of cover crops and resource conserving crop rotations as eligible conservation activities.

Adds definitions for *priority resource concerns* and stewardship practice. Both new definitions are similar but not identical to the definitions for priority resource concern and stewardship threshold that are repealed under CSP. (§2301)

Establishment and administration. EQIP is authorized through FY2019. (16 U.S.C. 3839aa-2(a))

Requires that 60% of payments go to practices related to livestock production and that a minimum of 5% of annual funds go to payments benefiting wildlife habitat through FY2018. (16 U.S.C. 3839aa-2(f))

EQIP may fund irrigation efficiency practices. Priority is given for applications that reduce water use on the operation or those in which the producer agrees not to use the water savings to bring new land into irrigation. (16 U.S.C. 3839aa-2(h))

Reauthorizes EQIP through FY2023. (§2302(a))

Deletes carve-out for livestock related practices. Reauthorizes wildlife habitat payment minimum (5%) through FY2023. **(§2302(b))** 

Amends the provision by specifying that payments may be provided for water conservation scheduling technology or management, irrigation-related structural practices, or transition to water-conservation crops or rotations. Adds a new provision allowing USDA to contract with irrigation districts, irrigation associations, and acequias if the watershed-wide project will effectively conserve water. Only eligible land or land owned by the irrigation entity is eligible. USDA may waive income and payment limits and impose additional limits. Priority is amended to include the new irrigation entity land. (§2302(c))

Stewardship contracts. Establishes a new stewardship contract based on priority resource concerns within a state. No more than three priority resource concerns are identified in each state. Contracts are for five to 10 years and provide annual payments to incentivize increased conservation stewardship and the adoption, installation, management, and maintenance of conservation practices. Payment amounts are to consider the level and extent of the practice, cost,

No directly comparable provision.

Under CSP, contracts (five years in length with the option of renewal) are based on meeting or exceeding a stewardship threshold on the entire agricultural operation. Participants must meet two priority resource concerns upon entry and meet or exceed one additional priority resource concern by the end of the contract. Contract renewal participants must meet the threshold for two additional priority resources concerns or exceed the threshold for two existing priority resource

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concerns. CSP provides two possible payments: (I) an annual payment for installing new conservation activities and maintaining existing activities and (2) a supplemental payment for adopting a resource-conserving crop rotation. Enrollment is offered through a continuous sign-up and applications are accepted year-round. CSP payments are limited to not more than \$200,000 total between FY2014 and FY2018. (16 U.S.C. 3838d-3838g)

income forgone, and longevity of the practice. Payments are limited to \$50,000 per fiscal year. Not more than 50% of total EQIP funds may be used for stewardship contracts. (§2302(d))

**Limitation on payments.** An EQIP participant's payments are limit to an aggregate of \$450,000 between FY2014-FY2018. **(16 U.S.C. 3839aa-7)** 

Extends the EQIP payment limit (\$450,000) for FY2019-FY2023 **(§2303)** 

Conservation Innovation Grants (CIG) and payments. CIG is a competitive grant program within EQIP. Grants are provided, on a matching basis, to implement innovative conservation practices. (16 U.S.C. 3839aa-8(a))

Limits CIG to no more than \$25 million annually. Amends eligible uses to include persons participating in an educational activity through an institution of higher education. (§2304(a))

Requires that \$25 million of EQIP funds annually (through FY2018) be used to address air quality concerns. (16 U.S.C. 3839aa-8(b))

Reauthorizes and increases the air quality funding carve-out to \$37 million of EQIP annually between FY2019 and FY2023. (§2304(b))

No comparable provision.

Requires up to \$25 million of EQIP funds for FY2019-FY2023 be used for on-farm conservation innovation trials to test new or innovative conservation approaches either directly with producers or with eligible entities. (§2304(c))

Report. A report is required no later than December 31, 2014, and every two years thereafter, to Congress regarding CIG funding, project results, and technology transfer efforts. (16 U.S.C. 3839aa-8(c))

Adds a requirement that USDA use the required CIG reports to establish and maintain a public conservation practice database. (§2304(c))

# **Other Conservation Programs**

# Conservation of Private Grazing Land Program. Authorizes appropriations of \$60 million annually through FY2018. (16 U.S.C. 3839bb(e))

Extends authorization of appropriations at \$60 million annually through FY2023. (§2401)

Grassroots Source Water Protection Program. Authorizes appropriations of \$20 million annually through FY2018 and a one-time authorization for \$5 million in mandatory funding to remain available until expended. (16 U.S.C. 3839bb-2(b))

Extends authorization of appropriations at \$20 million annually through FY2023 and authorizes an additional \$5 million in mandatory funding in FY2019 to remain available until expended. (§2402)

Voluntary Public Access and Habitat Incentive Program. Authorizes \$50 million in mandatory funds for FY2009-FY2012 and \$40 million in mandatory funds for FY2014-2018. (16 U.S.C. 3839bb-5(f))

Adds authorization for \$50 million in mandatory funding for FY2019-FY2023. (§2403)

Small Watershed Rehabilitation Program. Authorizes appropriations of up to \$85 million annually for FY2008-FY2018 and \$250 million in mandatory funding for FY2014 to remain available until expended. (16 U.S.C. 1012(h)(2)(E))

Extends annual authorization of appropriations of \$85 million annually through FY2023. (§2404(a))

Watershed Protection and Flood Prevention (Watershed Operations). Provides technical and financial assistance to states and local organizations to plan and install watershed projects. Such sums as necessary are authorized to be appropriated for the program. (16 U.S.C. 1001 et seq.)

Adds a new section authorizing \$100 million annually in mandatory funding between FY2019 and FY2023 to remain available until expended. (§2404(b))

No directly comparable provision.

Creates a new **Feral Swine Eradication and Control Pilot Program**. USDA is required to study the extent of damage from feral swine,

National Feral Swine Damage Management Program.

APHIS administers the program to manage damage caused by feral swine in the United States. APHIS works with states, tribes, federal agencies, universities, organizations, and the public and coordinates with Mexico and Canada on feral swine disease monitoring and control activities.

**Feral Swine Initiative.** Administered by NRCS in select states through EQIP. The initiative offers planning and management practice implementation to affected landowners.

Emergency Conservation Program. Provides emergency funding and technical assistance to producers to rehabilitate farmland damaged by natural disasters. (16 U.S.C. 2201) Payments are made to individual producers based on a share of the cost of completing the practice. This can be up to 75% of the cost or up to 90% of the cost if the producer is considered to be a limited-resources producer. Total payments may not exceed 50% of the agricultural value of the affected land. Payments are made following completion and inspection of the practice. (7 C.F.R. 701.126)

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develop eradication and control measures and restoration methods, and provide cost-share funding to agricultural producers in established pilot areas. NRCS and APHIS must coordinate the pilot through NRCS State Technical Committees. Cost-share assistance is limited to 75% of the cost of eradication and control measures or restoration. Authorizes \$100 million in mandatory funding for the period FY2019-FY2023. Requires funding to be split equally between NRCS and APHIS with no more than 10% for administrative expenses. (§2405)

Adds a reference to wildfires in a list of natural disasters.

Adds a new provision allowing producers repairing or replacing damaged fences the option of accepting payment (percentage of the fair market value of the cost) before repairing or replacing the fence rather than following the completion and inspection of the practice.

Adds a new section similar to existing regulations limiting the cost-share to 75% of the total allowable cost or up to 90% of the total allowable cost if the producer is considered limited resource, socially disadvantaged, or beginning farmer or rancher. Requires that total payments for a single event may not exceed 50% the agricultural; value of the land. (§2406)

# **Funding and Administration**

Commodity Credit Corporation (CCC). Authorizes the use of funds (mandatory), facilities, and authorities of the CCC to carry out conservation programs between FY2014 and FY2018 and through FY2019 for EQIP. (16 U.S.C. 3841(a))

**CRP funding.** Authorizes \$10 million for thinning activities and \$33 million for transition contracts between FY2014 and FY2018. Total funding for CRP is limited by enrolled acres, not total dollars. See above. (16 U.S.C. 3841(a)(1))

ACEP funding. Authorizes \$400 million in FY2014, \$425 million in FY2015, \$450 million in FY2016, \$500 million in FY2017, and \$250 million in FY2018. (16 U.S.C. 3841(a)(2))

Conservation Security Program funding. Authorizes contracts (enrolled prior to FY2009) with such sums as necessary. (16 U.S.C. 3841(a)(3))

CSP funding. Total funding for CSP is limited by enrolled acres, not total dollars between FY2014 and FY2018. (16 U.S.C. 3841(a)(4))

**EQIP funding.** Authorizes \$1.35 billion in FY2014, \$1.6 billion in FY2015, \$1.65 billion in each FY2016 and FY2017, and \$1.75 billion in each FY2018 and FY2019. (16 U.S.C. 3841(a)(5))

Availability of funds. Mandatory funding made available for CRP, ACEP, CSP, and EQIP between FY2014 and FY2018 (FY2019 for EQIP) are authorized to remain available until

Extends the CCC authority between FY2014 and FY2023. Specific funding levels for programs are outlined below. (§2501(a)(1))

Extends the specific authorizations of \$10 million for thinning incentive payments and \$33 million for transition contracts between FY2014 and FY2023. (§2501(a)(1) & (a)(2))

Reauthorizes the authority for the CCC to fund ACEP for \$500 million annually between FY2019 and FY2023. (§2501(a)(3))

Deletes provision. (§2501(a)(4))

Authorizes the CCC to carry out CSP contracts enrolled prior to enactment. (§2501(a)(5))

Reauthorizes the authority for the CCC to fund EQIP, including: \$2 billion in FY2019, \$2.5 billion in FY2020, \$2.75 billion in FY2021, \$2.935 billion in FY2022, and \$3 billion in FY2023. (§2501(a)(6))

Reauthorizes mandatory funding made available for CRP, ACEP, CSP, and EQIP between FY2019 and FY2023 to remain available until expended.

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expended. (16 U.S.C. 3841(b))

(16 U.S.C. 3841(c))

**Technical assistance.** USDA is required to give priority to producers who request technical assistance to comply with highly erodible land conservation (sodbuster) and wetland conservation (swampbuster) for the first time because of the changes made in the 2014 farm bill that tied crop insurance subsidies to compliance requirements. Requires reports to Congress related to the effect of conservation compliance on specialty crop producers and requested technical assistance.

**Regional equity.** Requires regional equity through proportional distribution of conservation program funds based on historical funding levels. Allows states in the first quarter of the fiscal year to establish that they can use a total of 0.6% of certain conservation funds. If established, those states may receive 0.6% of funds. (16 U.S.C. 3841(d))

Assistance to certain farmers or ranchers for conservation access. Establishes an annual set-aside in EQIP and CSP from FY2014 to FY2018—5% to beginning farmers or ranchers and 5% to socially disadvantaged farmers or ranchers. Unobligated funds for EQIP and unobligated acres for CSP under this provision may be repooled and obligated in accordance with the respective program. Preference is provided for veteran farmers or ranchers eligible under the provision. (16 U.S.C. 3841(h))

Report on program enrollments and assistance. Reports are required for program enrollments and assistance under conservation programs, including significant payments, waivers, and exceptions. (16 U.S.C. 3841(i))

Delivery of technical assistance. All producers participating in conservation programs must be provided technical assistance either by USDA or through an approved third party. (16 U.S.C. 3842(a))

**Technical service providers (TSP).** TSPs are third-party providers (individuals or businesses) that have technical expertise in conservation planning and design for a variety of conservation activities. Farmers, ranchers, private businesses, nonprofit organizations, or public agencies hire TSPs to provide these services on behalf of NRCS. NRCS certifies and approves TSPs. (16 U.S.C. 3842(e))

Administrative requirements for conservation programs. Stipulates that select federal grant financial reporting requirements for producers (defined as producers and landowners eligible to participate in any USDA conservation program) should not apply to NRCS conservation programs. (16 U.S.C. 3844(m)).

No comparable provision.

(§2501(b))

Deletes reporting requirements. (§2501(c))

Deletes provision. (§2501(d))

Reauthorizes the EQIP set-aside through FY2023 and deletes the reference to CSP. (§2501(e))

Reauthorizes reporting requirements through FY2023, adds reports on annual and current enrollment statistics, and removes references to CSP. (§2501(f))

Adds a definition of third-party provider: a commercial entity, nonprofit entity, state or local government, or federal agency that has expertise in the technical aspect of conservation planning. (§2502(a))

Adds an alternative certification process for TSPs requiring the acceptance of other professional certification criteria that meets or exceeds the TSP certification criteria. (§2502(b))

Deletes provision and adds a similar provision to Section 1611 of the Commodities title, which expands the federal grant financial reporting requirement exemption for NRCS conservation programs to all USDA commodity and conservation programs administered by the Farm Service Agency and the NRCS. As written, the applicability of the exemption is unclear given that the exemption was provided for regulations directed at federal agencies in administering grant programs rather than for specific grant program regulations. (§2503(1))

Source water protection carve-out. Requires

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USDA to encourage conservation practices related to water quality and quantity that protect source waters for drinking. Producers can receive incentives and high payments for such practices. USDA must collaborate with community water systems and NRCS state technical committees to identify local priority areas. Requires 10% of all funding for conservation programs (except CRP) be used annually between FY2019 and FY2023. (§2503(2))

Establishment of state technical committees. Requires each state technical committee be composed of representatives from: NRCS, FSA, Forest Service, the National Institute of Food and Agriculture (NIFA), state fish and wildlife agency, state forester, state water resources agency, state department of agriculture, state soil and water conservation district, agriculture producers, nonindustrial private forest landowners, nonprofit organizations working with producers, and agribusinesses. (16 U.S.C. 3861(c))

Adds land-grant colleges to the list of required representatives. (§2504)

# Agricultural Conservation Easement Program (ACEP)

**Establishment and purpose.** ACEP provides financial and technical assistance through two types of easements: agricultural land easements that limit nonagricultural uses on productive farm or grasslands and wetland reserve easements that protect and restore wetlands. (16 U.S.C. 3865)

**Definitions.** Five terms are defined under ACEP: *agricultural land easement*, *eligible entity*, *eligible land*, *program*, and *wetland reserve easement*.

Agricultural land easement is defined as an easement that protects the natural resources and the agricultural nature of the land while maintaining production.

Eligible land is defined separately for agricultural land easements and wetland reserve easements. Agricultural land easements include land with a pending easement offer; with prime, unique, or productive soils; that contains historical or archaeological resources; that would protect grazing uses; that furthers a similar state or local policy; that is cropland, rangeland, grassland, area historically dominated by grassland, pastureland, or nonindustrial private forest land. Wetland reserve easements include farmed or converted wetlands; cropland or grassland that has prior flooding from a closed basin lake or pothole if the state or other entity is willing to provide a 50% cost-share of the easement; wetlands that are enrolled in the CRP, have high wetland functions, and are likely to return to production after CRP; riparian areas that link protected wetlands; and wetlands determined by USDA to be significant. (16 U.S.C. 3865a)

Agricultural land easements. ACEP funds are provided for the purchase of agricultural land easements by eligible entities and for technical assistance pursuant to an agricultural land easement plan. (16 U.S.C. 3565b(a))

Eligible entities are required to provide contributions equivalent

Amends the purpose of ACEP agricultural land easements by adding that the purpose of protecting agricultural use by limiting nonagricultural uses applies specifically for those uses that negatively affect agricultural uses and conservation values. For grasslands, the purpose is amended from protecting grasslands by restoring and conserving land to restoring or conserving land. (§2601)

Amends the definition of agricultural land easement by removing the requirement that landowners farm according to an approved agricultural easement plan.

Amends the definition of eligible land. Increases the percentage of nonindustrial private forest land that may be enrolled in an agricultural land easement to 100%. Removes the requirement under wetland reserve easements that USDA consult with the Department of the Interior on the wildlife benefits and wetland functions and values.

Adds a definition for monitoring report for agricultural land easements. (§2602)

Deletes the requirement that technical assistance be used pursuant to an agricultural land easement plan and instead be used to implement the program. (§2603(a))

Amends the nonfederal share of agricultural land

to the federal share or at least 50% of the federal share if the entity includes contributions from the private landowner. Grasslands of special environmental significance are allowed up to 75% of the fair market for the federal share. USDA is authorized to waive any portion of the eligible entity cash contribution requirement for projects of special significance subject to an increase of private landowner donation equal to the amount of the waiver if donation is voluntary. (16 U.S.C. 3865b(b)(2)(B), (b)(2)(C))

The evaluation and ranking criteria for agricultural land easement applications is required to maximize the benefit of federal investment under ACEP. (16 U.S.C. 3865b(b)(3))

ACEP agricultural land easement enrollment is through eligible entities that enter into cooperative agreement of three to five years in length with USDA. The entities acquire easements and hold, monitor, manage, and enforce the easements. Entities agree to a minimum level of terms and conditions for agricultural land easements including the effect of a violation. (16 U.S.C. 3865b(b)(4))

USDA certifies eligible entities through a certification process and according to a criterion. (16 U.S.C. 3865b(b)(5))

USDA, if requested, may provide technical assistance for compliance with the terms and conditions of the easements and to implement an agricultural land easement plan. (16 U.S.C. 3865b(d))

Wetland reserve easements. ACEP wetland reserve easements may include grazing rights if it complies with the wetland reserve easement plan. (16 U.S.C. 3865c(b)(5)(D)(III))

Administration. Certain land is ineligible for ACEP easements, including land owned by the federal government, land owned by a state, land subject to an easement or deed restriction, or land where an ACEP easement would be undermined due to on- and off-site conditions (e.g., hazardous substances, proposed or existing rights of way, infrastructure development, or adjacent land use). (16 U.S.C. 3865d(a))

USDA may subordinate, exchange, modify, or terminate any ACEP easement if it is in the federal government's interest, will address a compelling public need where there is no alternative or further the administration of ACEP, and will result in a comparable conservation value and greater or equivalent economic value to the United States. (16 U.S.C. 3865d(c))

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easements. Removes the requirement that an eligible entity's contribution be equal to the federal share or at least 50% of the federal share if the entity includes contributions from the private landowner. Allows the eligible entity to use cash contributions, landowner contributions, or other non-USDA federal funding. Deletes the authority for USDA to waive an eligible entity's cash contribution for projects of special significance. (§2603(b)(1))

Adds a requirement that USDA adjust the evaluation and ranking criteria for geographic differences among states. (§2603(b)(2))

Amends the minimum terms and conditions by limiting the right of enforcement for USDA and removing the requirement that an agricultural land easement be subject to an agricultural land easement plan unless the land is highly erodible. Adds new provisions allowing mineral development and preventing USDA from limiting participation in environmental services markets. (§2603(b)(3))

Amends the certification process to allow certified entities to use their own terms and conditions for agricultural land easements.

Amends the certification criteria to automatically certify land trusts accredited by the Land Trust Accreditation Commission with more than five agricultural land easements under ACEP. (§2603(b)(4))

Deletes reference to the agricultural land easement plan. (§2603(c))

Adds that a grazing management plan may be used if consistent with the wetland reserve easement plan and is reviewed at least every five years. (§2604)

Amends ineligible land where an ACEP easement would be undermined to consider only on-site conditions. (§2605(a))

Amends the subordination, exchange, modification, and termination requirements by providing separate criteria for modifications and terminations.

Modifications may be made if they would have a neutral or increased conservation effect and are consistent with the original intent of the easement and purposes of ACEP.

Terminations may be made if the current land

#### **Current Law/Policy** House Passed Bill (H.R. 2) owner and easement holder agree and the termination would be in the public interest. (§2605(b)) Waives the AGI limitation for ACEP landowners. No comparable provision. (§2605(c)) Regional Conservation Partnership Program (RCPP) Amends the definition of covered program by adding Definitions. Six terms are defined under RCPP: covered CRP and Watershed Protection and Flood program, eligible activity, eligible land, eligible partner, partnership agreement, and program. Prevention operations and removing CSP. Covered program is defined as ACEP, EQIP, CSP, and the Healthy Amends the definition of eligible activity by adding Forests Reserve Program. resource-conserving crop rotations and protection of source waters for drinking water. (§2701) Eligible activity is defined as activities for water quality and quantity improvement, drought mitigation, flood prevention, water retention, air quality improvement, habitat conservation, erosion control and sediment reduction, forest restoration, and others defined by USDA. (16 U.S.C. 3871a) Regional conservation partnerships. Under RCPP, USDA Amends the length of partnership agreements to include agreements longer than five years. Amends enters into partnership agreements with eligible partners for a the project assessments to require partners to period not to exceed five years with a possible one-year extension. Partners define the scope of projects, conduct quantify the project's environmental outcomes. outreach, act on behalf of producers to apply for assistance, Adds a renewal option for projects that have met leverage financial and technical assistance, conduct assessments, or exceeded the project's objectives. (§2702) and report results. Partners must provide a "significant portion" of the overall cost of the project. Applications are competitive, and the selection criteria are publicly available. Priority is given to applications that assist producers meeting or avoiding the need for regulation, include a large percentage of producers in the project area, provide significant resource leverage, deliver a high percentage of applied conservation to priorities or conservation initiatives, or provide innovative conservation methods and delivery. (16 U.S.C. 3871b) Assistance to producers. Five-year payments may be made Extends the payments for dryland farming for conversion to dryland farming and nutrient management. conversion and nutrient management to match the AGI limits may be waived to fulfill the objectives of the extended partnership agreements. Expands the program. (16 U.S.C. 3871c(c)(2) and (c)(3)) AGI waiver to also waive a covered program's payment limitation. (§2703) **Funding.** Authorized to receive \$100 million in mandatory Increases mandatory funding authority to \$250 funding annually for FY2014-FY2018. (16 U.S.C. 3871d(a)) million annually for FY2019-FY2023. (§2704) **Report.** Adds a requirement for USDA to provide No comparable provision. partners and producers guidance on how to quantify and report environmental outcomes associated with conservation practice adoption. Requires a report on the progress of quantification. (§2705) Critical conservation areas. The authorities granted under Deletes provision. (§2706) the Watershed Protection and Flood Prevention program may

# Repeals and Transitional Provisions; Technical Amendments

be used in critical conservation areas. (16 U.S.C. 3871f(c)(3))

Conservation Security Program. Authorized in the 2002 farm bill and replaced by the Conservation Stewardship Program in the 2014 farm bill. The program enrolled acres in five- to 10-year stewardship contracts, the last of which will

Repeals the Conservation Security Program. (§2801)

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expire in FY2018. (16 U.S.C. 3838 - 16 U.S.C. 3838c)

Conservation Stewardship Program (CSP). Provides financial and technical assistance to producers to maintain and improve existing conservation systems, and adopt additional conservation activities. Under CSP, participants must meet a "stewardship threshold" for a set number of priority resource concerns when they apply for the program and then must agree to meet or exceed the stewardship threshold for additional priority resource concerns by the end of the five-year contract. In exchange, participants receive annual payments that are based, in part, on conservation performance. The program is limited by the number of acres available for enrollment each fiscal year (10 million), not total funding. Enrollment is offered through a continuous sign-up, and applications are accepted year-round. (16 U.S.C. 3838d-16 U.S.C. 3838g)

Desert terminal lakes. Authorizes USDA to transfer \$150 million of CCC funds to the Bureau of Reclamation to purchase water for at-risk desert terminal lakes. Includes a voluntary land purchase grant program authorized to receive \$25 million through appropriations and to remain available until expended. (16 U.S.C. 3839bb-6)

No comparable provision.

Repeals CSP with transition provisions for current contracts to receive CCC funding until expiration with no option for renewal. (§2801)

Repeals the Desert Terminal Lakes program. (§2802)

Provides technical amendments and spelling corrections. (§2803)

# Table 6. Title III: Trade

# **Current Law/Policy**

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# Food for Peace Act (All section references in this subsection are to this act.)

**Labeling.** Commodity donations shall, to the extent practicable, be clearly identified with appropriate markings on the package or container of such commodity in the language of the locality in which such commodities are distributed as being furnished by the people of the United States of America. **(7 U.S.C. 1722(g))** 

Food aid quality assurance. The administrator of USAID shall use the funds made available annually from FY2014 onwards to carry out Food for Peace programs to assess types and quality of agricultural commodities donated as food aid, adjust products and formulation as necessary to meet nutrient needs of target populations, test prototypes, adopt new specifications or improve existing specifications for micronutrient food aid products based on latest development in food and nutrition science, develop new program guidance for cooperators to facilitate improved matching of products to purposes, develop improved guidance on how to address nutritional efficiencies among long-term food-aid recipients, and evaluate the performance and cost-effectiveness of new/modified food products and program approaches to meet nutritional needs of vulnerable groups. Authorizes not more than \$4.5 million of funds be made available for FY2014-FY2018 to carry out this section. (7 U.S.C. 1722(h)(3))

Local sale and barter of commodities. An agreement between the administrator of USAID and a private voluntary organization or cooperative (i.e., nongovernmental organization) to provide U.S.-donated commodities for sale or barter in

Extends the labeling requirement to commodities and food procured outside of the United States or on printed material that accompanies other assistance. (§3002)

Extends authority to fund this section through FY2023. (§3003)

Amends this section to provide for administrator discretion in the levels of local sales and to remove the requirement for a minimum level of monetization for non-emergency programs in

# House Passed Bill (H.R. 2)

recipient countries, or a neighboring region, to generate proceeds for use as provided in this section. Such an agreement must involve a minimum level of local sales equal to not less than 15% of all commodities distributed under non-emergency Food for Peace programs for each fiscal year. (7 U.S.C. 1723)

recipient country or neighboring regional markets. (§3004)

Minimum levels of assistance. The Administrator of USAID shall make available not less than 2.5 million metric tons (mt) of agricultural commodities for food distribution each fiscal year through FY2018, including not less than 1,875,000 mt for non-emergency food distribution through eligible organizations. The Administrator may waive this requirement if sufficient quantities of donated commodities are not available. (7 U.S.C. 1724(a))

Extends authority, with waiver authority, for requiring minimum levels of food quantities be available for emergency and non-emergency assistance through FY2023. (§3005)

Food Aid Consultative Group. Establishes a Food Aid Consultative Group to review and address issues concerning the effectiveness of the regulations and procedures that govern food assistance programs established and implemented under Title II of the Food for Peace Act. The group shall terminate on December 31, 2018. (7 U.S.C. 1725(f))

Extends the authority for the Food Aid Consultative Group through FY2023. (§3006)

Regulations and guidance. Not later than 270 days after enactment of the Agricultural Act of 2014, the administrator shall issue all necessary regulations and revisions to agency guidelines with respect to changes in the operation or implementation of the U.S. food assistance programs. (7 U.S.C. 1726a(c)(1))

Requires that the Administrator shall issue all necessary regulations and revisions to agency guidelines with respect to changes in the operation or implementation of the U.S. food assistance programs not later than 270 days after enactment of the Agricultural and Nutrition Act of 2018. (83007)

Program oversight, monitoring, and evaluation. The Administrator shall establish systems and carry out activities to determine the need for food assistance and to improve, monitor, and evaluate the effectiveness and efficiency of the assistance provided so as to maximize its impact. The Administrator may contract with cooperators for such services to be performed in recipient countries or regions. In addition to other funds made available for monitoring of emergency food assistance, the Administrator may use up to \$17 million of the funds made available under Title II of the Food for Peace Act for each of FY2014 through FY2018, subject to an annual \$500,000 maximum for maintenance of information technology systems, and an annual maximum of \$8 million for early warning assessments and systems to help prevent famines (provided at least \$8 million are available under chapter I of part I of the Foreign Assistance Act of 1961). (7 U.S.C. 1726a(f)(4))

Extends authority to fund this section through FY2023. Amends this section by replacing the \$17 million cap on funds with a maximum of 1.5% of the funds made available under Title II of the Food for Peace Act for each of FY2019-FY2023 for monitoring of emergency food assistance subject to an annual \$500,000 maximum for maintenance of information technology systems and an annual maximum of \$8 million for early warning assessments and systems to help prevent famines (provided at least \$8 million is available under the Foreign Assistance Act of 1961). (§3008)

Assistance for stockpiling and rapid transportation, delivery, and distribution of shelf-stable pre-packaged foods. The administrator may provide grants to qualifying cooperators for preparation of shelf-stable prepackaged foods and establishment and maintenance of stockpiles of the foods in the United States and for the rapid transportation, delivery, and distribution of shelf-stable prepackaged foods to needy individuals in foreign countries. (7 U.S.C. 1726b)

Changes the heading of this section to "International Food Relief Partnership" and extends the program authority to FY2023. (§3009)

Impact on local farmers and economy. Under general provisions governing the implementation of Title II of the Food for Peace Act, no agricultural commodity shall be made available unless it is determined that (1) adequate storage facilities will be available in the recipient country at the time of the arrival of the commodity to prevent the spoilage or waste of the commodity;

Amends this section to ensure that no modalities of assistance—importation of donated commodities or food vouchers, cash transfers, or local and regional procurement of food outside of the United States—are distributed in a recipient country where adequate storage

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and (2) the distribution of the commodity in the recipient country will not result in a substantial disincentive to, or interference with, domestic production or marketing in that country. Also, the Secretary or the administrator, as appropriate, shall ensure that the donation of U.S. agricultural commodities and the use of local currencies for development purposes will not have a disruptive impact on the farmers or local economy of the recipient country. (7 U.S.C. 1733(a))

facilities are not available or where distribution would create a substantial disincentive to, or interference with, domestic production or marketing or where it would have a disruptive impact on the farmers or local economy of a recipient country. (§3010)

Prepositioning of agricultural commodities. The administrator may use funds made available for FY2001-FY2018 to carry out Title II (subchapter III) and Title III (subchapter III-A) of the Food for Peace Act to procure, transport, and store agricultural commodities for prepositioning within the United States and in foreign countries, except that for each of FY2014-FY2018 not more than \$15 million of such funds may be used to store agricultural commodities for prepositioning in foreign countries. (7 U.S.C. 1736a)

Extends authority for prepositioning of donated agricultural commodities through FY2023. (§3011)

Annual report on food aid programs and activities. The administrator and the Secretary shall jointly prepare and submit to the appropriate committees of Congress, by April I of each fiscal year, a report regarding each program and activity carried out under U.S. international food assistance programs—Food for Peace, Section 416(b), Food for Progress, and McGovern-Dole programs—during the prior fiscal year including funds spent, quantities distributed, number of beneficiaries, progress made in reducing food insecurity in recipient populations, description of the Food Aid Consultative Group efforts, an assessment of progress made as relates to food assistance quality, and finally an assessment of the program oversight, monitoring, and evaluation system and its impact on program effectiveness. (7 U.S.C. 1736a(f)(1))

Amends Section 407(f) of the Food for Peace Act to allow the administrator and the Secretary to file the annual report either jointly or separately. In addition, this section requires that, where the annual report is not filed by the April I deadline, the administrator and the Secretary notify the relevant congressional committees of any delay and the reasons for such delay. In addition, Section 407(f) is updated to combine an existing annual report with more detailed information about the utilization of funds by cooperators and recipient countries under each program and the rate of return for each commodity monetized (sold to generate cash to fund cooperator projects) in recipient countries. The rate of return is defined as the ratio of the proceeds generated from monetization and the cost to procure and ship a commodity to the recipient country for monetization. (§3012)

Agreements to finance sales or to provide other assistance. No agreements to finance sales or to provide other assistance under the Food for Peace Act shall be entered into after December 31, 2018. (7 U.S.C. 1736b)

Extends the deadline for agreements to finance sales or to provide other assistance until December 31, 2023. (§3013)

Minimum level of nonemergency food assistance. In general, of the amounts made available to carry out emergency and nonemergency food assistance programs under Title II (subchapter III) of the Food for Peace Act, not less than 20% nor more than 30% for each of FY2014-FY2018 shall be expended for nonemergency food assistance programs but subject to a minimum level of not less than \$350 million for any fiscal year that shall be made available to carry out nonemergency food assistance programs. (7 U.S.C. 1736f(e))

Amends the Food for Peace Act to provide a minimum annual outlay for nonemergency food assistance of not less than \$365 million nor more than 30% of the amounts made available to carry out Title II (subchapter III) of the act. Further, certain community development funds that are made available through grants or cooperative agreements and that assist in implementing certain activities—income-generating, community development, health, nutrition, cooperative development, agricultural and other development—may be deemed to have been expended on nonemergency food assistance programs for the purposes of this section. (§3014)

Micronutritient fortification programs. The administrator

Extends authority for the micronutrient

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shall establish micronutrient fortification programs to assist developing countries in correcting micronutrient dietary deficiencies among segments of the populations of the countries and to assess and apply technologies and systems to improve and ensure the quality, shelf life, bioavailability, and safety of fortified food aid agricultural commodities and products of those agricultural commodities. Under the program, grains and other commodities made available to a participating developing country may be fortified with micronutrients (such as vitamin A, iron, iodine, and folic acid) with respect to which a substantial portion of the population in the country is deficient. The commodity may be fortified in the United States or in the developing country. The authority to carry out programs established under this section shall terminate on September 30, 2018. (7 U.S.C. 1736g-2)

fortification program through FY2023. (§3015)

John Ogonowski and Doug Bereuter Farmer-to-Farmer (F2F) Program. The F2F program is established to implement assistance between the United States and qualifying countries developing and middle income countries, emerging markets, and in Sub-Saharan Africa (SSA) and the Caribbean Basin(CB)—to increase farm production and farmer incomes. The F2F program may use U.S. agricultural producers, agriculturalists, colleges and universities, private agribusinesses, private organizations, private corporations, and nonprofit farm organizations to work in conjunction with agricultural producers and farm organizations in those countries on a voluntary basis. Not less than the greater of \$15 million or 0.6% of total Food for Peace program funds available for each of FY2014-FY2018, shall be used to carry out F2F programs with not less than 0.2% for programs in developing countries and not less than 0.1% for programs in SSA and CB countries. There are authorized to be appropriated for each of FY2008-FY2018 \$10 million for SSA and CB countries and \$5 million for other developing or middle-income countries or emerging markets not included in SSA or CB countries. (7 U.S.C. 1737)

Clarifies that the nature of assistance provided by the F2F program is technical assistance.

Includes retired extension staff of USDA in the list of entities that may work in conjunction with agricultural producers and farm organizations on a voluntary basis.

Includes explicit language to reinforce that longer-term and sequenced assignments and partnerships are allowed within the F2F program.

Continues minimum fiscal year funding of not less than the greater of \$15 million or 0.6% of amounts made available to carry out the Food for Peace Act—with continued set-asides for certain geographic locations—through FY2023.

Provides that funds used to carry out F2F programs shall be counted toward the minimum level of nonemergency food assistance of the Food for Peace Act.

Reauthorizes the authorization of appropriations until 2023. **(§3016)** 

# **Other Food Aid Programs**

Local and Regional Food Aid Procurement Program. Establishes a local and regional procurement program with appropriations of \$80 million authorized for each of FY2014-FY2018. Preference in carrying out this program may be given to eligible organizations that have, or are working toward, projects under the McGovern-Dole International Food for Education and Child Nutrition Program. Requires an annual report to Congress on the program's implementation time frame, costs, and impact on local and regional producers, markets, and consumers. (7 U.S.C. 1736c)

Extends authority to fund this section through FY2023. (§3201)

Bill Emerson Humanitarian Trust. Establishes a reserve of commodities and cash to meet emergency food needs in developing countries when there are unanticipated needs or when U.S. domestic supplies are short. The trust can be held as a combination of cash and commodities. The commodities in the trust may be exchanged for funds available under Title II or the McGovern-Dole Program or for sale in the market. The funds in the trust can be invested in low-risk short-term securities or instruments. (7 U.S.C. 1736f-I note)

Amends Section 302 of the Bill Emerson Humanitarian Trust to reauthorize the trust through 2023. **(§3203)** 

Food for Progress Program. Provides donated commodities to participating cooperators (under agreement with the U.S. government and subject to presidential approval) to support countries that have made commitments to expand free enterprise in their agricultural economies. Authorized through FY2018. (7 U.S.C. 1736o)

McGovern-Dole International Food for Education and Child Nutrition. Makes available U.S. agricultural commodities and financial and technical assistance to carry out food for education and child nutrition programs in foreign countries. Authorizes such sums as may be necessary during FY2008-FY2013. (7 U.S.C. 17360-1 note)

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Expands eligible program cooperators to include a college or university as defined in 7 U.S.C. 3103(4). Extends authority to implement and fund the Food for Progress program through FY2023. (§3204)

Amends this section to ensure, to the extent practicable, that assistance will be provided on a timely basis so as to coincide with the beginning of the school year and when needed during the relevant school year. Extends authority to fund this program through FY2023. (§3205)

# Other International Agricultural Programs

Cochran Fellowship Program. As established by the Secretary of Agriculture, the Cochran Fellowship Program provides a fellowships to individuals from eligible countries—(1) middle-income countries that are not receiving U.S. bilateral foreign aid assistance, (2) middle-income countries that have never received U.S. bilateral assistance but where a mutual relationship with the United States would be beneficial, or (3) a country that is transitioning to a representative type of government—who specialize in agriculture for study in the United States. Appropriations are authorized, by country category, as (1) \$3 million, (2) \$2 million, and (3) \$5 million. (7 U.S.C. 3293)

Borlaug Fellowship Program. As established by the Secretary of Agriculture, the Borlaug Fellowship Program provides fellowships for scientific training and study in the United States to individuals from eligible countries (i.e., developing country, as determined by the Secretary using a gross national income per capita test) that specialize in agricultural education, research, and extension. The Secretary shall—directly or via collaborating universities—manage, coordinate, evaluate, and monitor the fellowship program. There are authorized to be appropriated such sums as are necessary to carry out this section to remain available until expended. (7 U.S.C. 3319j)

Amends this section to permit study in foreign colleges or universities that have met certain criteria: 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. Also amends this section to clarify that the purpose of the fellowship includes trade linkages involving regulatory systems governing sanitary and phytosanitary standards for agricultural products. (§3206)

Amends current law to permit U.S. citizens to receive Borlaug fellowships in order to assist eligible countries in developing school-based agriculture and youth extension programs and to permit study in foreign colleges or universities that have met certain criteria. Further, Section 3207 clarifies that training or study of fellowship recipients from eligible countries outside of the United States shall occur in the United States or at a qualified college or university outside of the United States. Finally, Section 3207 authorizes appropriations of \$6 million for the Borlaug fellowship program with \$2.8 million set aside for participants from eligible foreign countries. (§3207)

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Global Crop Diversity Trust. The administrator of USAID shall contribute funds to endow the Global Crop Diversity Trust to assist in the conservation of genetic diversity in food crops through the collection and storage of germ plasm to provide for (1) maintenance and storage of seed collections; (2) documentation and cataloguing of genetics and characteristics of conserved seeds for researchers, plant breeders, and the public; (3) building the capacity of seed collection in developing countries; (4) making information regarding crop genetic data publicly available for researchers, plant breeders, and the public; (5) operation and maintenance of a backup facility in which are stored duplicate samples of seeds in the case of natural or manmade disasters; and (6) oversight to ensure international coordination of those actions and efficient, public accessibility to that diversity through a cost-effective system. U.S. fund contributions to the trust shall not exceed 25% of the total funds contributed from all sources. There is authorized to be appropriated \$60 million for FY2014-FY2018. (22 U.S.C. 2220a note)

Amends this section to limit the aggregate contribution of U.S. funds to the trust to 33% of the total funds contributed from all sources and authorizes appropriations through 2023. (§3208)

# **Export Promotion and Market Development**

Market development and export assistance programs. Provides funds and assistance to U.S. farmers and commodity exporters through the Market Access Program (MAP) (7 U.S.C. 5623), Foreign Market Development Cooperator Program (FMDP) (7 U.S.C. 5721), Emerging Markets Program (EMP) (7 U.S.C. 5622 note), and Technical Assistance for Specialty Crops Program (TASC) (7 U.S.C. 5680). Authorizes mandatory CCC funds totaling \$253.5 million annually (FY2014-FY2018) across all programs.

Promotion of agricultural exports to emerging markets. Authorizes direct credits or export credit guarantees of not less than \$1 billion each fiscal year through 2018 for exports to emerging markets. Requires export credit guarantees be made available to establish or improve facilities and services for U.S. products. (7 U.S.C. 5622 note)

No comparable provision.

International Market Development Program. Merges USDA's four market development and export promotion programs into one program. Maintains requirements for spending for components of MAP, FMDP, EMP, and TASC. Authorizes mandatory CCC funds of \$255 million annually (FY2019-FY2023). Repeals individual statutes for MAP, FMDP, EMP, and TASC. (§3102)

Reauthorizes program and funding through FY2023. (§3202)

Biotechnology and Agricultural Trade Program. Establishes a program to assist with the removal of non-tariff and other trade barriers to U.S. agricultural products produced with biotechnology and other agricultural technologies. (§1543A)

# **Table 7. Title IV: Nutrition**

Current Law/Policy	House Passed Bill (H.R. 2)
Supplemental Nutrition Assistance Program (SNAP)—Appropriations, Implementation Funding	
Authorizes appropriations for SNAP and related programs through FY2017. (7 U.S.C. 2027(a))	Reauthorizes appropriations through FY2023. (§4031)
Implementation funds. No comparable provision.	Provides \$150 million in mandatory funding in FY2019, available until expended, to be used by the Secretary to carry out the amendments made by Subtitle A, which consists of Sections 4001 to 4036. (§4036)

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# **SNAP**—Eligibility, Benefit Calculation

Thrifty Food Plan (TFP). Maximum monthly benefit allotments are tied to the cost of purchasing a nutritionally adequate low-cost diet, as measured by the USDA-created and -calculated TFP. Allotments are adjusted for food price inflation annually, each October, to reflect the cost of the TFP in the immediately previous June. Although USDA calculates the cost of the TFP each year to account for food price inflation, the contents of the TFP—often thought of as its own market basket of goods—were last revised in 2006. Maximum allotments are standard across the 48 contiguous states and the District of Columbia, but they are higher—reflecting substantially different food costs—in Alaska, Hawaii, Guam, and the Virgin Islands. (7 U.S.C. 2012(u), 2017(a))

Requires the Secretary to re-evaluate the current TFP market basket and publish findings by 2022. Requires subsequent re-evaluations every five years. (§4004)

Broad-based categorical eligibility. In addition to regular eligibility rules of 130% of the federal poverty line and an asset limit of \$2,000/3,000 (inflation indexed), states may opt to implement broad-based categorical eligibility. Under this option, a SNAP applicant that receives Temporary Assistance for Needy Families (TANF) cash assistance, Supplemental Security Income, state-funded general assistance cash benefits, or any TANF-funded benefit may be deemed eligible for SNAP benefits and potentially not subject to asset limits. By regulation, the TANF-funded benefit must be for households at or below 200% of the federal poverty line. (7 U.S.C. 2014(a), 7 C.F.R. 273.2(j))

Limits categorical eligibility to TANF cash assistance, Supplemental Security Income, state-funded general assistance cash benefits, or "ongoing and substantial" TANF-funded services. Limits categorical eligibility for households without elderly or disabled members to at or below 130% of the federal poverty line. Households with elderly or disabled members must be at or below 200% of the federal poverty line. (§4006) (see also Table A-I)

Basic allowance for housing. Some active military members receive a "Basic Allowance for Housing" (BAH) within their pay (37 U.S.C. 403) in lieu of on-base or other in-kind housing. This payment is not excluded (and therefore counted) in income for SNAP eligibility determination. (7 U.S.C. 2014(d)) Among SNAP deductions from gross income is an "excess shelter deduction" for which a household is eligible if housing expenses exceed a certain threshold. (7 U.S.C. 2014(e)(5))

Amends law to exclude from income up to \$500 of BAH. Amends excess shelter deduction to include a household's BAH above \$500. **(§4007)** 

**Earned income deduction.** Applicants with earned income (i.e., from a job) have 20% of that income deducted from their gross income for net income eligibility and benefit calculations. (7 U.S.C. 2014(e)(2))

Increases earned income deduction to 22%. (§4008)

Simplified homeless housing costs. For households where all members are homeless, but the household has some housing costs and does not claim the "excess shelter deduction," states have an option to simplify SNAP's calculation of housing costs with a standard deduction of \$143. (7 U.S.C. 2014(e)(2))

Requires states to include a deduction of \$143 (indexed for inflation) for households where all members are homeless, free shelter has not been provided, and the household has not opted to use the excess shelter deduction. (§4009)

Standard utility allowances. A SNAP household can use a Low Income Home Energy Assistance Program (LIHEAP) payment (so long as it is greater than \$20) as evidence that the household has incurred heating and cooling costs. This documentation triggers a standard utility allowance, a figure that enters into the SNAP benefit calculation equation. Unless the household is already receiving the maximum SNAP benefit, a household's monthly benefit can increase if the standard utility allowance calculation results in an excess shelter

For households without elderly members, a LIHEAP payment (of any amount) would no longer suffice for the standard utility allowance. (§4010) Does not change the law for households with elderly members. (see also Table A-1)

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deduction. LIHEAP payments are excluded from counted income. (7 U.S.C. 2014(e)(6)(C))

Child support. For non-custodial parents applying for SNAP, it is a state option to treat child support paid as an income exclusion (impacting eligibility and benefit calculation) or as a deduction (impacting only benefit calculation). For SNAP eligibility, states may choose to require custodial parent and/or non-custodial parent cooperation with child support enforcement. States may choose not to require either. States may also choose to disqualify applicants based on child support arrears. (7 U.S.C. 2014(e), 2016(I)-(n))

Asset/resource limits. Households without elderly or disabled members cannot have counted liquid assets above \$2,000. Households with elderly or disabled members cannot have counted liquid assets above \$3,000. Limits are adjusted annually for inflation and rounded down to the nearest \$250. For FY2018, these limits are \$2,250 and \$3,500, respectively. (7 U.S.C. 2014(g)(1))

In calculating assets for asset limit, excludes up to \$4,650 of the fair market value of any household vehicle. This amount is not adjusted for inflation. States have the option to conform how they count vehicles in SNAP with how they count vehicles in TANF. TANF frequently excludes the value of a vehicle. (7 U.S.C. 2014(g)(2))

Any savings account—regardless of whether there is a penalty for early withdrawal—is included in a household's counted assets in eligibility. (7 U.S.C. 2014(g)(2))

# Work-related requirements.

General work requirements and E&T. Able-bodied, non-elderly (ages 16-60) SNAP applicants that are not working are required to register for work opportunities. Certain individuals, such as students and those with children under six, are exempt. Each state is required to operate a SNAP Employment and Training (E&T) program. States design their respective programs' services and capacity and may offer workfare. States have the option to require SNAP participants to participate in E&T and may require a maximum of 120 hours per month of participation or the household's benefit amount divided by the applicable minimum wage. Individuals that do not comply with general requirements (including state-specific requirements) are, subject to exceptions for good cause, ineligible for benefits anywhere from one month to indefinitely, depending on number of occurrences and state option. In some cases, sanction may apply to entire household. Program requirements, uptake of these funds, and activities designed vary by state. (7 U.S.C. 2015(d)(4), 7 U.S.C. 2025(h))

Able-bodied adults without dependents (ABAWDs) time limit and available waivers and exemptions. ABAWDs (ages 18-50) who do not meet specified work requirements (20 hours per week of work or comparable workfare) are limited to receiving three months of SNAP benefits in a 36-month period. Some are exempt from time limit, including pregnant women. States are permitted to exempt a portion of the population from this time limit based on the number of ABAWDs who received benefits prior to the enactment of the 1996 welfare reform

Requires all states to treat child support paid as an income exclusion, not a deduction. Requires all states to require child support cooperation for custodial and non-custodial parents. Eliminates disqualification for child support arrears. (§4011)

Increases asset limits to \$7,000 and \$12,000, respectively. Continues inflation adjustment. (§4012)

Excludes up to \$12,000 of the fair market value of one vehicle per licensed driver and adds inflation adjustment. Deletes the state option to use an alternative vehicle allowance that conforms with how vehicles are counted in TANF. (§4013)

Excludes up to \$2,000 (adjusted annually for inflation) of a household's savings from assets counted in eligibility determination. (§4014)

Amends work-related rules to combine aspects of

general work requirements and time limit to create one work requirement for all states. Includes changes to states' E&T requirements and funding. Beginning in FY2021, able-bodied adults (ages 18-59) with no children or with children six years of age or older are required to work, participate in E&T, or combine work and E&T for a minimum of 20 hours per week (increased to 25 hours in FY2026). Certain individuals are exempt from the work requirement, including pregnant women. Non-exempt individuals that do not comply with work requirement are, subject to exceptions for good cause, ineligible for 12 months for first violation and 36 months for subsequent violations. Eligibility reinstates if individual obtains employment sufficient enough to meet hourly requirements or becomes exempt.

For geographic or labor-market-based waivers to the work requirement, includes but modifies the requirements in ABAWD time limit regulations, limiting the combining of areas and making a more stringent unemployment rate standard.

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law. Some individuals may be subject to general work requirements but not time limit. States are not required to provide E&T or work opportunities for individuals subject to the time limit. (7 U.S.C. 2015(o); 7 C.F.R. 273.24)

E&T funding. The federal government funds SNAP E&T in four ways: (1) \$90 million in mandatory funds that are allocated and reallocated to states based on a formula, (2) \$20 million in mandatory funding allocated to states that pledge to provide E&T to all ABAWDs, (3) open-ended matching funds for states' administrative costs for E&T, and (4) open-ended matching funds for states' reimbursement of E&T participants' dependent care and transportation costs. (7 U.S.C. 2025(h)) 2014 farm bill E&T pilots. USDA selected 10 states to pilot projects to test a variety of work and job readiness strategies for SNAP participants, including mandatory and voluntary strategies. Those pilots and their independent longitudinal evaluation are ongoing. Progress reports are available, but evaluation is not complete. Mandatory funding of \$200 million was provided and is available until end of FY2018. (7 U.S.C. 2025(h)(1)(F))

College students. For the most part, college students (attending higher education courses half-time or more) between ages 18 and 50 are ineligible for SNAP. A student enrolled in an institution of higher education more than halftime is eligible for SNAP benefits only if the individual is (1) under 18 years old or age 50 or older, (2) disabled, (3) enrolled in school because of participation in certain programs, (4) employed at least 20 hours per week or participates in a work-study program during the school year, (5) a certain category of parent or (6) receiving TANF cash assistance benefits. Eligible parent circumstances are a single parent enrolled in school full-time caring for a dependent under the age of 12, a parent caring for a dependent under age six, or a parent caring for a child between the ages of five and 12 for whom child care is not available to enable the parent to both attend class and work 20 or more hours per week. (7 U.S.C. 2015(e))

**Transitional benefits.** States have the option to provide not more than five months of SNAP benefits to households that have had their cash assistance from TANF terminated. The benefit amount for these months is to equal the amount received before TANF assistance was terminated. **(7 U.S.C. 2020(s))** 

Requires states to offer E&T services for individuals subject to the work requirement to get to 20 hours or otherwise reach compliance. Requires all state E&T programs to provide case management services. Modifies allowable E&T activities. Eliminates authority to operate workfare. For FY2020, increases to \$270 million mandatory funds that are allocated and reallocated to states based on a formula. Increases to \$1 billion annually in FY2021 and each fiscal year thereafter. In FY2021 and each year thereafter, reserves not more than \$150 million of E&T funding for allocation to states to provide training services through providers on the state's eligible training provider list (defined in the Workforce Innovation and Opportunity Act) for SNAP participants subject to hourly requirements. (§4015(a),(b),(d),(e),(f)(g),(h)) (see also Table A-I)

Amends the exception for parents of children under six years to also include a parent with responsibility for the care of an incapacitated person. (§4015(c)) (see also Table A-1)

Requires states to provide five months of SNAP benefits to such households. (§4024)

# SNAP—Fraud, Errors, Quality Control System

**Duplicative enrollment database.** Individuals are not allowed to apply for or receive benefits from more than one state agency at a time. **(7 U.S.C. 2015(j))** Some state agencies detect duplicate enrollment through exchanging enrollment data with neighboring states. Since 2013, the National Accuracy Clearinghouse, a five-state pilot, uses a database to detect and prevent duplicate enrollment.

Periodically, USDA publishes a report that uses data from the U.S. Census Bureau's Survey of Income and Program

Requires the Secretary to establish a Duplicative Enrollment Database. Requires the states to use the database in eligibility determinations to prevent participants from receiving benefits concurrently in multiple states. The Secretary is to establish a uniform method and format for collection and submission of data, and states are required to collect from each household member a Social Security number (or substitute), employment

Participation to analyze participants' duration of participation. The last report was published in 2014 and uses data from 2008 to 2012.

Access to state systems. States are required to keep such records as may be necessary to determine compliance with SNAP law. The law requires that these records be available for audit and inspection. (7 U.S.C. 2020(a)(3)(B)) States participate in a federally run Quality Control (QC) system. (7 U.S.C. 2025(c)) USDA pays half of states' computer system costs, as allowed. (7 U.S.C. 2025(g))

Adjustment to percentage of recovered funds retained by states. State agencies establish and collect claims against recipients who traffic SNAP benefits. If a state agency collects on a claim resulting from fraud, such as recipient trafficking or recipient application fraud, the state agency is entitled to retain 35% of the amount collected. (7 U.S.C. §2025(a))

The SNAP QC system measures improper payments in SNAP, comparing the amounts of overpayments and underpayments that exceed the error tolerance level or threshold to total benefits issued. Error rates are used as a basis for calculating state award and liability amounts depending on high or low performance. Via statute and regulation, the threshold amount has changed over the years. Since FY2014, the quality control error threshold has been set in statute at \$37 (with annual inflation adjustment). (7 U.S.C. 2025(c))

State performance indicators. Based on QC system error rates and other data, USDA measures state performance and provides financial awards to highest performing and most improved states. Performance awards total \$48 million in mandatory funding each fiscal year. (7 U.S.C. 2025(d); 7 C.F.R. 275.24)

Retail food store and recipient trafficking. Authorizes civil penalties and SNAP disqualification penalties for retailers that engage in SNAP trafficking (the sale of SNAP benefits for money or ineligible items). USDA enforces those penalties through a variety of activities and funds from the SNAP account. Additional grant funding provided to track and prevent SNAP trafficking: \$15 million in mandatory funding in FY2014, which was available until expended; authorizes up to \$5 million, subject to appropriations, for each year from FY2014 through FY2018. (7 U.S.C. 2036b)

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status, specified income, benefits, and asset information. Requires the Secretary to use the database to publish an annual report on participants' duration of participation in the program. (§4001)

Amends to specify that records and information systems that contain records are to be made available for inspection and audit by the Secretary, subject to security protocols agreed to by the state and the Secretary. QC system reporting requirements are also amended to reflect the availability of these records and systems. Computer systems must be accessible by the Secretary for program oversight in order to receive federal cost-share funding for computer systems. (64023)

Increases to 50% the amount of collected claims the state agency is entitled to retain. Allows states to use amounts collected only for SNAP, including investments in technology and other actions to prevent fraud. (§4027)

For FY2018 and subsequent years, reduces QC tolerance level to \$0. Makes related amendments in the calculation of liability amounts in light of the changed tolerance level. (§4028)

Repeals authority and funding for bonus awards. Beginning FY2018, requires Secretary to establish, by regulation, performance criteria relating to actions taken to correct errors, reduce rates of error, and improve eligibility determinations and other indicators of effective administration as determined by the Secretary. (§4029)

Extends authorization of \$5 million annual funding through FY2023. (§4034)

# **SNAP**—Electronic Benefit Transfer (EBT) Systems

Required state agencies to implement EBT systems by October 1, 2002, unless Secretary provides a waiver. Requires Secretary to issue final regulations that establish standards for the approval of such systems. (7 U.S.C. 2016(h)(1)-(2))

Requires Secretary to periodically update EBT system regulations. Requires Secretary to include "risk-based measures" to maximize system security based on what the state agency considers appropriate and cost effective balanced against recipients' program access. (§4016)

**Mobile technologies.** Depending on results of an authorized demonstration project, retailers are authorized to conduct EBT transactions using mobile technologies (defined as "electronic means other than wired point of sale devices") if retailers meet certain requirements. (7 U.S.C. 2016(h)(14))

**Processing fees.** No "interchange fees" shall apply to EBT transactions. No bar on "switching" fees in Food and Nutrition Act, the statute authorizing SNAP. (7 U.S.C. 2016(f)(13)) In recent years, third-party processors have been charging retailers such fees. FY2018 appropriations law provision bars charging of "switching fees" through FY2019. (P.L. 115-141, §750)

Replacement of EBT cards. Secretary has the authority to require states to decline, unless an explanation is provided, to issue a replacement card to a household that has made "excessive requests" for replacement cards. (7 U.S.C. 2016(h)(8)) Current regulations require a state to contact a household after they have made four replacement requests in a 12-month period. (7 C.F.R. §274.6(b)(6)) In December 2017, USDA's Food and Nutrition Service (FNS) granted a waiver for one state to contact recipients who request a replacement card more than two times in a 12-month period.

Benefit recovery. States must store offline benefits a household has not accessed in a six-month period. States must expunge from participants' EBT cards benefits that have not been accessed after a 12-month period. (7 U.S.C. 2016(h)(12))

Online acceptance of benefits. Requires, depending on results of a demonstration project, that USDA authorize retailers to accept benefits online. (7 U.S.C. 2016(k)) Demonstration is ongoing.

National gateway. USDA is required to set procedures for the delivery of benefits to benefit issuers (i.e., state-contracted EBT processors). (7 U.S.C. 2016(d)) To connect to the state's EBT processor and accept SNAP, most SNAP-authorized retailers are required pay for their own EBT equipment and services. (7 U.S.C. 2016(f)(2)) These retailers purchase equipment and processing services from a variety of private entities. Between the retailer and EBT processor, transactions are technologically routed through third-party processors and sometimes "gateways." A variety of third parties can hinder USDA access to and analysis of SNAP data.

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Amends this provision to create a different pilot to test SNAP recipients' use of mobile technology (e.g., smartphones) to redeem their SNAP benefits. Authorizes up to five states to pilot. States are to submit a plan to the Secretary that meets certain requirements including recipient privacy, access protections, and retailers (with some exemptions) bearing the costs of implementation. States are to be selected by January 1, 2020. By January 1, 2020, the Secretary is required to determine whether to implement in all states and/or whether more study is required. (§4017) (see also Table A-1)

Bars a state, or an agent or contractor of the state, from charging any fee for switching or routing SNAP benefits. Switching is defined as "routing of an intrastate or interstate transaction that consists of transmitting the details of a transaction electronically recorded through the use of an [EBT] card in one State to the issuer of the card that may be in the same or different State." (§4018)

Amends statute to specify that "2 lost cards in a 12-month period" is an excessive number. (§4019)

Requires benefit storage after a household has not accessed SNAP account for three months. Requires benefit expunging if the benefits have not been accessed by a household for six months or upon verification that all members of the household are deceased. (§4020)

Amends definition of retail food store to include "online entity." Amends pilot provision to require nationwide implementation of online benefit redemption. (§4021)

Expands the Secretary's EBT authority to set procedures for independent sales organizations, third-party processors, and web service providers (each defined in provision) in addition to benefit issuers. Requires, pending the completion of a feasibility study, the Secretary to establish a centralized "national gateway" through which all SNAP transactions are required to route. States are required to ensure that benefit issuers connect to the national gateway. The Secretary is required to set and collect fees, paid by benefit issuers and third-party processors, to sustain the national gateway. Provision includes additional specifications for study and gateway. Authorizes funding of \$10.5 million for FY2019 and \$9.5 million for each of

#### House Passed Bill (H.R. 2) **Current Law/Policy** FY2020-FY2023 and allows no more than \$1 million from these funds to be used for the study. (§4022) SNAP benefit transfer transaction data report. No Requires the Secretary to, not more often than comparable provision. USDA undertook research on SNAP every two years, collect a statistically significant recipients' purchases using 2011 transaction data and published sample of retailer food store transaction data, a report in November 2016. including cost and description of items purchased with SNAP, and to summarize and report that data in a manner that prevents identification of individual retailer food store chains and SNAP recipients. Provision requires specified data protections. (§4026)

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# **SNAP—Other SNAP-Related Grants**

Food Insecurity Nutrition Incentive (FINI). Grant program provides grants to governmental agencies and nonprofit organizations for projects that "increase the purchase of fruits and vegetables by low-income consumers participating in [SNAP] by providing incentives at the point of purchase." Retailers often partner with grantees, and retailers financially benefit from incentives, but for-profit retailers are not eligible grantees. Mandatory funding through a transfer from the CCC: \$35 million for FY2014 and FY2015, \$20 million for each of FY2016 and FY2017, \$25 million for FY2018. FINI evaluation is ongoing. (7 U.S.C. 7517(b))

Nutrition Education and Obesity Prevention Grant Program. Formerly SNAP Nutrition Education and formerly an open-ended federal match to state funding, this program, administered by FNS, provides formula grant funding to SNAP state agencies to provide programs for SNAP (and other domestic food assistance program) participants as well as other low-income households. Annual mandatory funding provided, most recently \$421 million in FY2018. For FY2018 and each fiscal year thereafter, 50% of funding is allocated based on states' SNAP population, and 50% of funding is allocated based on states' funding received during FY2009 (when funding for the program was an open-ended federal

Mandatory funding of \$5 million provided for Grants for Simple Application and Eligibility Determination Systems and Improved Access to Benefits. (7 U.S.C. 2020(s))

match). (7 U.S.C. 2036a, P.L. 115-141)

No comparable provision.

Renames the program Gus Schumacher Food Insecurity Nutrition Incentive Program. Adds new priority criteria for the awarding of grants: Secretary is required to prioritize projects that coordinate with multiple stakeholders (example listed) and have the capacity to generate sufficient data and analysis. Certain other additional priority criteria are at the Secretary's discretion. Limits program incentives to financial incentives. Requires Secretary to consult with the director of NIFA to establish a training, evaluation, and information center for use by program grantees. Increases funding, providing \$45 million for FY2019, \$50 million for FY2020, \$55 million for FY2021, \$60 million for FY2022, and \$65 million for FY2023 and each year thereafter. (§4003)

Establishes a pilot project through which authorized retail food stores may receive federal funding to provide bonus incentives to SNAP households for purchases of fruits, vegetables, and milk. Funding may not exceed 25% of bonuses earned by households. Retailers participating in FINI are not eligible. Aggregate value of reimbursements in a pilot project shall not exceed \$120 million each fiscal year. Mandatory funding from SNAP account provided. **(§4002)** 

Makes 1862 and 1890 institutions eligible institutions for carrying out this program. Requires Secretary to act through NIFA to implement the program and to consult with FNS. Requires eligible institutions, to the extent practicable, to employ and train professional and paraprofessional aides from the target population to engage in direct nutrition education and to partner with other entities to optimize program delivery. Increases mandatory funding to \$485 million beginning in FY2019. This amount is adjusted for inflation in FY2020 and subsequent years. Authorizes additional discretionary funding of \$65 million for FY2019 through FY2023. Funds are allocated based solely on states' SNAP populations. Limits administrative costs for eligible institutions to 10%. (§4033) (see also Table A-I)

Retitles to "Grants for Simple Application and Eligibility Determination Systems." Amends law to exclude projects with the purposes of reducing barriers to participation or improving methods for informing and enrolling eligible households. (§4025)

# Food insecurity pilot project grants.

Authorizes grants for up to 10 pilot projects that support public-private partnerships addressing food insecurity and poverty. Projects are to last no more than two years and address specified objectives.

#### **Current Law/Policy** House Passed Bill (H.R. 2) Grantees shall report annually to Secretary, who shall report to congressional committees. Authorizes \$5 million in discretionary funding for grants to eligible entities. (§4030) **Food Distribution Programs** Amends locally grown and traditional food fund to Food Distribution Program on Indian Reservations (FDPIR). Commodity distribution program established to include "regionally grown" foods. Reauthorizes distribute commodities, in lieu of SNAP benefits, at the fund's authorization of appropriations through request of a tribal organization. \$5 million in mandatory FY2023. Requires that FDPIR funding be available funding authorized for a traditional and locally grown food for spending for a two-year period. (§4005) fund. (7 U.S.C. (2014)(b)) Annual appropriations language provides FDPIR funding to be spent in one fiscal year. (e.g., P.L. 115-141) The Emergency Food Assistance Program (TEFAP). Increases annual mandatory funding by \$45 million (plus inflation adjustment), for FY2019 and each For FY2018, for USDA-purchased commodity foods, provides \$250 million in TEFAP commodity purchases plus the addition fiscal year thereafter, by amending the additional of \$15 million, each adjusted for inflation according to changes funds from \$15 million to \$60 million. Establishes a "Farm to Food Bank Fund," where, of TEFAP to the Thrifty Food Plan. USDA is to distribute the foods to states for distribution to emergency feeding organizations. (7 commodity funds provided, Secretary is required to U.S.C. 2036) distribute \$20 million to states to procure, or for states to enter into agreements with food banks to procure, excess fresh fruits and vegetables grown in the state or surrounding regions to be provided to emergency feeding organizations. (§4032) Commodity Distribution Program. Authority to purchase Reauthorizes through FY2023. (§4101) and distribute agricultural commodities expires at the end of FY2018. (7 U.S.C. 612c note) Commodity Supplemental Food Program. Various Reauthorizes through FY2023. (§4102) authorities expire at the end of FY2018. Distribution of surplus commodities to special Reauthorizes through FY2023. (§4103) nutrition projects. Secretary required to encourage consumption of surplus commodities by contracting with private companies to process such commodities into end-food products. Authority expires at the end of FY2018. (7 U.S.C. 143 le(a)) **Other Nutrition Programs and Policies** Purchase of fresh fruits and vegetables for distribution Extends \$50 million requirement through FY2023. to schools and service institutions. In addition to the (§4201) minimum (\$200 million per year) acquisitions required by the 2002 farm bill, USDA is required to purchase additional fruits, vegetables, and tree nuts for use in domestic nutrition assistance programs using Section 32 funds. The added purchases required include \$206 million (FY2012 and each year thereafter). Of this money for additional purchases, at least \$50 million annually (for each of FY2008 through FY2018) is required for USDA fresh fruit and vegetable acquisitions for schools. (7 U.S.C. 612c-4) Senior Farmers' Market Nutrition Program. Authorizes Reauthorizes funding through FY2023. (§4202) and provides CCC mandatory funding of \$20.6 million annually for the Senior Farmers' Market Nutrition Program through FY2018. (7 U.S.C. 612c-4(b))

Authorizes up to \$125 million to be appropriated for a

Reauthorizes authorization for appropriations

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"Healthy Food Financing Initiative" to remain available until expended. USDA is authorized to approve a community development financial institution as "national fund manager" that would administer these funds by supporting food retail projects that would "expand or preserve access to staple foods" (as defined within this section) and accept SNAP benefits. (7 U.S.C. 6953)

through October I, 2023. (§4203)

Amendments to the Fresh Fruit and Vegetable Program. Provides grants to states for children at low-income elementary schools to receive fruit and vegetable snacks throughout the day. Purchases are limited to fresh fruits and vegetables. Program is permanently authorized and permanently funded. (42 U.S.C. 1769a) The 2014 farm bill required USDA to administer a pilot project to implement and evaluate at least five states providing frozen, canned, and dried fruits and vegetables through this program and provided \$5 million. (42 U.S.C. 1769a note)

Amends program to provide fresh, canned, dried, frozen, or pureed fruits and vegetables. Renames program Fruit and Vegetable Program. (§4204)

# Table 8. Title V: Credit

# **Current Law/Policy**

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# Subtitle A—USDA Farm Ownership Loans

Eligibility. Requires, for eligibility for direct loans, at least three years of farming experience or other acceptable experience as determined by the Secretary. The applicant must also be a beginning farmer, not have received prior direct farm ownership loans, or have not received a direct farm ownership loan more than 10 years ago. (7 U.S.C. 1922(b)(1))

Specifies conditions under which the Secretary may reduce the three-year farming experience requirement for beginning farmers and ranchers as follows:

- (A) To two years if the borrower (I) has 16 credit hours of postsecondary education in agriculture, (2) has one-year of substantive management experience in a business, (3) was honorably discharged from the military, (4) has successfully repaid an FSA youth loan, or (5) has a mentoring relationship with Service Corps Retired Executives or a local farmer, rancher, or organization approved by the Secretary.
- (B) To one year with military leadership or management experience from completing a military leadership course.
- (C) Waived entirely if the beginning farmer meets two of the options (1)-(5) above, including mentoring in (5). (§5101)

**Funding.** Authorizes appropriations of \$150 million annually for a conservation loan and loan guarantee program for FY2014-FY2018. (7 U.S.C. 1924(h))

Loan Limit. Sets the loan limit per borrower for guaranteed farm ownership loans at \$700,000, increased beginning with FY2000 by the inflation percentage since 1996 in the NASS Index of Prices Paid by Farmers. In FY2018, USDA announced the inflation-adjusted limit at \$1,399,000. (7 U.S.C. 1925)

Extends the authorization of appropriation to FY2023 and reduces it to \$75 million annually. **(§5102)** 

Raises the loan limit for guaranteed farm ownership loans to \$1.75 million per borrower and adjusts it in FY2019 and thereafter for inflation. The calculation of the inflation percentage remains the same using a 1996 base year. Thus, the inflation-adjusted limit in FY2019 may be about \$3.5 million. (§5103)

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# Subtitle B—USDA Farm Operating Loans

Loan limit. Sets the loan limit per borrower for guaranteed farm operating loans at \$700,000, increased beginning with FY2000 by the inflation percentage since 1996 in the NASS Index of Prices Paid by Farmers. In FY2018, USDA announced the inflation-adjusted limit at \$1,399,000. (7 U.S.C. 1943(a))

Raises the loan limit for guaranteed farm operating loans to \$1.75 million per borrower and adjusts it in FY2019 and thereafter for inflation. The calculation of the inflation percentage remains the same using a 1996 base year; thus, the inflation-adjusted limit in FY2019 may be about \$3.5 million. (§5201)

Authorizes a microloan program for loans less than \$50,000. (7 U.S.C. 1943(c))

Changes *title* to *subsection* to clarify technical references within the statute. **(§5202)** 

# **Subtitle C—Administrative Provisions**

Funding. Authorizes appropriations for the Beginning Farmer and Rancher Individual Development Account Program at \$5 million per year through FY2018. (7 U.S.C. 1983b)

Reauthorizes appropriations of the same amount per year through FY2023. (§5301)

Authorizes specific loan levels for direct and guaranteed farm ownership and farm operating loans through FY2018. (7 U.S.C. 1994(b)(1))

Reauthorizes the same loan levels through FY2023. (§5302)

Carve-out for beginning farmers and ranchers. Reserves 50% of each year's direct farm operating loan authority to be used for beginning farmers and ranchers for 11 months through September 1 of each fiscal year from FY2008 to FY2018. (7 U.S.C. 1994(b)(2)(A)(ii)(III))

Reauthorizes the same set-aside preference for beginning farmers and ranchers through FY2023. **(§5303)** 

#### Subtitle D—Technical Corrections to the ConAct

The **Down Payment Loan Program** encourages retiring farmers and ranchers to sell their property to beginning farmers and ranchers with seller financing. The 2008 farm bill added *and* socially disadvantaged farmers and ranchers but did not specify the location and was executed with a note in Section 310E(d)(3) of the Consolidated Farm and Rural Development Act (ConAct) about placement to reflect the probable intent of Congress. (7 **U.S.C. 1935(d)(3))** 

Clarifies the location for the addition of and socially disadvantaged farmers and ranchers in the statute about encouraging retiring farmers and ranchers to offer seller financing. Retroactive to the 2008 farm bill. (§5401(a))

For eligibility in the Emergency Loan Program, the 2014 farm bill added and such other legal entities to the first sentence. It was executed in Section 321(a) of the ConAct in the second sentence to reflect the probable intent of Congress. (7 U.S.C. 1961(a))

Clarifies the location in the second sentence for the addition of and such other legal entities to the eligibility for the Emergency Loan Program.

Retroactive to the 2014 farm bill. (§5401(b))

The Agricultural Credit Improvement Act of 1992 attempted to add flexibility for a state director to extend a 60-day period for a borrower to respond to notice of loan delinquency that was sent by the Secretary. The 1992 revision of Section 331D(e) of the ConAct could not be executed. (7 U.S.C. 1981d(e))

Clarifies that a state director may add flexibility to the time period allowed for a borrower to respond to a notice sent by the Secretary about a loan becoming delinquent. Retroactive to 1992. (§5401(c))

**Approved lender.** The definition of approved lender in Section 333A(f)(1)(A) of the ConAct references Section 114. Notes in the act suggest that the probable intent of Congress was likely Section 339. (7 U.S.C. 1983a(f)(1)(A))

Clarifies the definition of approved lender with reference to Section 339 of the ConAct. Retroactive to 1992. (§5401(d))

In the guaranteed loan program, the classification of "preferred certified lender" has authority to make certain decisions about loans that are not granted to all lenders that receive guarantees. (7 U.S.C. 1989(d)(3))

Capitalizes the spelling of Preferred Certified Lender. (§5401(e))

# An instruction in the 2014 farm bill attempted to change the reference to or joint operators in Section 343(a)(11)(C) of the ConAct to joint operator, or owners, as noted in its execution. (7 U.S.C. 1991(a)(11)(C))

To apply certain definitions, Section 343(b) of the ConAct references Section "307(e)." Notes for the execution suggest that the intent may have been Section 307(d). (7 U.S.C. 1991(b))

A paragraph in statute ended in an extra comma after an amendment was made in the 1996 farm bill. (7 U.S.C. 1994(a))

# House Passed Bill (H.R. 2)

Clarifies in the definition of qualified beginning farmer or rancher that flexibility was added with the addition of or owners to the phrase about alternative legal entities. Retroactive to the 2014 farm bill. (§5401(f))

Deletes reference to Section 307(e), and inserts reference to Section 307(d). Retroactive to the 2014 farm bill. (§5401(g))

Deletes the extra comma at the end of the paragraph. (§5401(h))

# Subtitle E: Amendments to the Farm Credit Act of 1971 (Farm Credit System)

**Update definition of Farm Credit System (FCS) entities.** Defines the entities that comprise the FCS, all of which are regulated by FCA. (12 U.S.C. 2002(a))

Allows a production credit association in a district with two such associations to serve borrowers who are denied credit by the other association if FCA determines that the denying association was "unduly restrictive" in granting credit. (12 U.S.C. 2075(d))

Establishes a system of banks for cooperatives in the FCS. (12 U.S.C. 2121, 2123, 2128, 2130, 2131(c), 2132, 2141, 2142, 2149)

Establishes provisions relating to the funding and governance of the Farm Credit Banks through referring to district banks. (12 U.S.C. 2126, 2131(d))

Allows a bank for cooperatives to make loans to the Rural Electrification Administration. (12 U.S.C. 2129(b)(1)(A))

Establishes, and sets conditions for an Assistance Board, a Financial Assistance Corporation, and related funding to remediate losses within the FCS during the 1980s. (12 U.S.C. 2278a-2278b-11, 2151, 2159, 2277a-9(b), 2162(c), 2202c, 2219c, 2254(b), 2271 (4), 2277a-7(2), 2279d(a)(4))

During the tenure of the Assistance Board, a member of the Assistance Board shall be a non-voting member of the board of the Farm Credit System Funding Corporation. After termination of the Assistance Board, its successor, the Farm Credit System Insurance Corporation, shall not have a member on the Funding Corporation board. (12 U.S.C. 2160(d)(2))

Revises the definition of entities that comprise the FCS to include more specific identification of the current types of entities and includes the Federal Farm Credit Banks Funding Corporation, FarmerMac, and service corporations, all of which shall continue to be regulated by FCA. (§5501(a))

Deletes this section, which is no longer applicable. (§5501(b))

Deletes various references to a Central Bank for Cooperatives, United Bank of Cooperatives, and/or a National Bank of Cooperatives while continuing to recognize the existence of a bank for cooperatives. (§5501(c), (d), (e), (f), (h), (j), (k), (m), (n), (o), (p), (q), (r), (s))

Deletes the obsolete word district in reference to the Farm Credit Banks, as that is no longer used following years of consolidation. (§5501(g), (l))

Inserts language recognizing a successor agency to the Rural Electrification Administration after the latter was absorbed into the USDA Rural Utilities Service. (§5501(i))

Deletes references to the now-obsolete Assistance Board, Financial Assistance Corporation, and funding. Terminates the Financial Assistance Corporation after December 31, 2018. (§5501(t), (u), (x), (bb), (ee), (ii), (jj), (mm), (nn), (oo), (qq))

Deletes reference to the now-obsolete Assistance Board and retains language that the Insurance Corporation shall not have a member on the board of the Funding Corporation. (§5501(v))

Establishes provisions and conditions for the transition of various parts of the FCS as it is created, especially from the 1980s and 1990s for FarmerMac. (12 U.S.C. 2160(e), 2202a(h), 2252(a)(2), 2253, 2275, 2279c-2(c), 2279aa(2), 2279aa(6), 2279aa(8), 2279aa-2(b), 2279aa-4(a)(1), 2279ba-6(d), 2279bb-1(a), 2279bb-4(e))

Lists the FCS institutions that are applicable to various requirements. (12 U.S.C. 2184(a)(1), 2205, 2207(a), 2254 (a), 2274)

Defines terms relating to the restructuring of distressed loans. (12 U.S.C.2202a(a))

Provides for the establishment and administration of FCA and certain of its powers to regulate entities of FCS. (12 U.S.C. II41b, II41c, II41d, II41e, II41f, II41i, II41j, II41d-1, II48, II48a-4, II48b, II48c, II48d, I401-1404)

**Headquarters.** Provides for the provision of headquarters and other facilities for FCA. (12 U.S.C. 2251)

**Privileged information.** Instructs FCA to examine the banks and associations of the FCS, and to report on the condition of the System. Empowers FCA to share confidentially with the Farm Credit Insurance Corporation information about examinations. (12 U.S.C. 2254)

**Scope of FCA jurisdiction.** Provides various enforcement powers to FCA against FCS entities, directors, officers, employees, and agents that engage in unsafe or unsound practices or violate the regulations of the FCS. (12 U.S.C. 2261-2274)

Defines various terms for the enforcement powers of FCA. (12 U.S.C. 2271)

FarmerMac qualified loans. Defines that the maximum size of a "qualified loan" that FarmerMac may finance is \$2.5 million adjusted for inflation (\$12.6 million in FY2018), except if the loan is secured by less than 1,000 acres. (12 U.S.C. 2279aa-8(c)(2))

Compensation of bank directors. Establishes a limit for compensation of members of the boards of directors of FCS banks as \$20,000 per year, adjusted for inflation. (12 U.S.C. 2209)

# House Passed Bill (H.R. 2)

Deletes provisions that are transitional in nature now that the FCS is established. (§550 I (w), (aa), (ff), (gg), (II), (pp), (rr), (ss), (tt), (uu), (vv), (ww), (xx))

Revises the lists to more generically refer to FCS banks or associations and its current structure. (§5501(y), (cc), (dd), (hh), (kk))

Applies the definitions that are used for distressed loans to the section about the "right of first refusal" for borrowers' rights. (12 U.S.C. 2219). (§5501(z))

Conforming repeals. Repeals sections about FCA that have been superseded by newer statutes for FCA that are in 12 U.S.C. 2241 et seq. and that are part of the Farm Credit Act of 1971, as amended. (§5502)

Directs that the principal office of FCA shall be in the Washington, DC, metropolitan area, with other offices throughout the United States as necessary. (§5503)

Provides authority for FCS institutions to provide privileged communications that they have (e.g., with attorneys and accountants) to FCA, pursuant to its supervision and regulatory authority, without losing the ability to assert this privilege with respect to others. (§5504)

Adds a provision that the scope of FCA's jurisdiction shall include "institution-affiliated parties" (as defined in Section 5506) and that the parties may be held accountable to laws and regulations. This jurisdiction is retroactive and shall continue to apply for six years after the party ceases to be affiliated with the FCS. (§5505)

Adds a definition for *institution-affiliated party* (as used in Section 5505) to include the directors, officers, employees, shareholders, and agents of system institutions, including independent contractors (such as attorneys, appraisers, or accountants) and any others who participate in system affairs. (§5506)

Increases the acreage exception to the dollar limit to be a "qualified loan" for FarmerMac from 1,000 acres to 2,000 acres. Effective one year after the study by FCA (ordered in Section 5602(a)(2)) indicates that it is feasible to increase the limit. (§5507)

Deletes the section that establishes the limit on compensation of FCS bank boards of directors. (§5508)

Current Law/Policy	House Passed Bill (H.R. 2)
Use of funds. Specifies various prohibitions and limitations about the Farm Credit System Insurance Corporation. (12 U.S.C. 2277a-14)	Adds a paragraph that no funds of the Farm Credit System Insurance Corporation may be used to assist FarmerMac. (§5509)
Subtitle F: Miscellaneous	
State mediation program funding. Authorizes appropriations for a matching grant program for states that provide third-party mediation services for agricultural credit disputes. Appropriations authorized at \$7.5 million annually through FY2018. (7 U.S.C. 5106)	Reauthorizes appropriations of \$7.5 million annually through FY2023. (§5601)
No comparable provision.	FCA study. Directs FCA to conduct a study that (I) analyzes and compares financial risks of loans in the FCS and by FarmerMac and how such risks are capitalized and (2) assesses the feasibility of increasing to 2,000 acres the I,000 acre exception in the definition for qualified loans for FarmerMac (see I2 U.S.C. 2279aa-8). The study is to be submitted to Congress I80 days after enactment. (§5602)

Table 9. Title VI: Rural Infrastructure and Economic Development		
Current Law/Policy	House Passed Bill (H.R.2)	
Improving Health Outcomes in Rural Communities		
Project prioritization. The Secretary is authorized to coordinate a nationwide rural development program using the services of executive branch departments and agencies. (7 U.S.C. 2204a-2204b)	Authorizes the Secretary to announce a reprioritization of certain loan and grant programs to assist rural communities in responding to specific health emergencies (e.g., opioid abuse). Authorizes not less than 10% of the distance learning/telemedicine appropriation for telemedicine services to individuals affected by the emergency. Prioritizes the community facilities loan and grant program for developing prevention, treatment, and recovery services for individuals affected by the emergency. (§6001)	
Distance learning and telemedicine program. Provides grants to rural hospitals, clinics, schools, and libraries to develop and improve their telecommunications infrastructure. Authorizes funding of \$75 million annually FY2014-FY2018, subject to appropriations. (7 U.S.C. 950aaa)	Authorizes appropriations of \$82 million annually FY2019-FY2023 for the distance learning and telemedicine program. (§6002)	
Farm and Ranch Stress Assistance Network. In coordination with the Secretary of Health and Human Services, the Secretary is authorized to make competitive grants to establish a Farm and Ranch Stress Assistance Network to provide stress assistance programs for those engaged in agriculture-related	Reauthorizes such sums as necessary for FY2019-FY2023. Requires a review of the program within two years after the first grant is awarded. (§6003)	

No comparable provision.

(7 U.S.C. 5936)

occupations. Such sums as necessary authorized FY2008-FY2012.

Agricultural association group health plans. Authorizes a loan and grant program to assist in the establishment of agricultural association group health plans for rural areas. In coordination with the Secretary of Labor, the Secretary is authorized to make no more than

#### **Current Law/Policy** House Passed Bill (H.R.2) 10 loans to establish agricultural association group health plans to qualified agricultural associations. Authorizes \$65 million for the period FY2019-FY2022. (§6004) Connecting Rural Americans to High-Speed Broadband No comparable provision. Establishing forward-looking broadband standards. amends Section 601 of the Rural Electrification Act of 1936. Directs the Secretary to establish minimum acceptable standards of broadband service of 25 megabits per second downstream transmission capacity and three megabits per second upstream transmission capacity and projections of broadband service five, 10, 15, 20, and 30 years into the future. Loans are conditioned on meeting the acceptable minimum standards. Requires a report to the House and Senate Agriculture Committees on the effectiveness of broadband loans for expanding broadband to rural areas. (§6101) Incentives to reach hard-to-reach No comparable provision. communities. Amends Title VI of the Rural Electrification Act of 1936. 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 in a proposed service area. Authorizes appropriations of \$350 million for each of FY2019-FY2023. (§6102) Access to broadband telecommunications services in Amends Section 601 of the Rural Electrification rural areas. Title VI of the Rural Electrification Act of 1936. Act to state that the Secretary "shall make States that the Secretary "shall make or guarantee" loans to loans and shall guarantee loans" for expanding provide funds for the costs of the construction, improvement, and broadband services. (§6103) acquisition of facilities and equipment for broadband service in rural areas. (7 U.S.C. 950bb(c)(1)) No comparable provision Smart utility authority for broadband. Amends the ConAct to permit any recipient of a loan or grant from USDA Rural Development to use up to 10% of the amount provided for any activity provided under the Access to Broadband Telecommunications Services in Rural Areas and to construct other broadband infrastructure in areas not served by minimum acceptable standards of broadband service. (§6104)Rural gigabit network. A rural, ultra-high-speed gigabit pilot Renames the Rural Gigabit Program Innovative program is authorized in the 2014 farm bill (P.L. 113-79). Broadband Advancement. Authorizes loans and grants for the purpose of demonstrating Authorized appropriation of \$10 million each of FY2014-FY2018. (7 U.S.C. 950bb-2) innovative broadband technologies or methods of broadband deployment that significantly decrease the costs of broadband deployment.

Gives priority to projects involving multiple entities and would provide service to the greatest number of rural residents at or above the minimum broadband speed. (§6105)

#### House Passed Bill (H.R.2)

**Unified broadband reporting requirements.** Authorizes loans and loan guarantees to provide funds for the costs of the construction, improvement, and acquisition of facilities and equipment for broadband service in rural areas. (7 U.S.C. 950bb)

Directs the Secretary to report annually to Congress on the extent of participation in the broadband loan and grant program. (§6106)

Rural Electrification Act's Telephone Loan Program. The Secretary is authorized to make loans to persons now providing or who may hereinafter provide telephone service in rural areas; to public bodies now providing telephone service in rural areas; and to cooperative, nonprofit, limited dividend, or mutual associations. (7 U.S.C. 922-928)

Authorizes the Secretary to obligate but not disburse funds for broadband projects before completion of otherwise required environmental, historical, or other reviews of the project. The Secretary is also authorized to de-obligate funds for projects if any such review will not be completed in a reasonable period of time. (§6107)

**Evaluation period.** Establishes not less than two evaluation periods for each fiscal year to compare loan and loan guarantee applications and to prioritize loans and loan guarantees to all or part of rural communities that do not have residential broadband service that meets the minimum acceptable level of broadband service. (7 U.S.C. 950bb(c)(2)(A))

Reduces the evaluation period from two evaluation periods to one. (§6108)

**Priority to certain applicants.** Gives priority to applicants that offer to provide broadband service not predominantly for business service if at least 25 percent of the customers in the proposed service territory are commercial. (7 U.S.C. 950bb(c)(2))

Removes priority for applicants that provide broadband service not predominantly for business service if at least 25% of the customers in the proposed service territory are commercial interests. (§6109)

**Buildout requirement.** Eligible applicants agree to complete buildout of the broadband service described in the loan application by not later than three years after the initial date on which proceeds from the loan made or guaranteed under this section are made available. (7 U.S.C. 950bb(d)(1)(A)(iii))

Amends requirements to have a broadband loan applicant agree to the buildout of the service in no later than five years rather than three years. (§6110)

Borrower refinancing options. The Secretary is authorized and empowered to make loans to persons now providing or who may hereinafter provide telephone service in rural areas; to public bodies now providing telephone service in rural areas; and to cooperative, nonprofit, limited dividend, or mutual associations. (7 U.S.C. 922)

Adds refinancing of loans for broadband services and other loans provided to purposes of telecommunications. (**§6111**)

Reporting requirements. Requires reporting that provides the progress toward fulfilling the objectives for which the assistance was granted, including (I) the number and location of residences and businesses 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 broadband service in a proposed service area; (IV) any changes in broadband service adoption rates, including new subscribers generated from demand-side projects; and (V) any metrics the Secretary determines to be appropriate. (7 U.S.C. 950bb(d)(8)(A)(ii))

Removes a reporting requirement that borrowers report the location of residences and businesses that will receive new broadband service, existing network service improvements, and facility upgrades. (§6112)

**Authorization of appropriations**. There is authorized to be appropriated to the Secretary to carry out this section \$25 million for each of FY2008-FY2018 to remain available until expended. (7 U.S.C. 950bb(k))

Authorizes appropriations for loans and loan guarantees at \$150 million each of FY2019-FY2023. (§6113)

No comparable provision.

#### Middle mile broadband infrastructure.

Authorizes loans for development of middle mile broadband infrastructure, defined as infrastructure that does not directly connect to

#### **Current Law/Policy** House Passed Bill (H.R.2) end user locations. Loans and loan guarantees for middle mile infrastructure are limited to no more than 20% of the amounts made available under Section 601 of the Rural Electrification Act of 1936. (§6114) Outdated broadband systems. Amends No comparable provision. Section 601 of the Rural Electrification to Act of 1936 to require the Secretary to consider any portion of a broadband service area subject to an outstanding grant agreement where service is not at least 10 megabits per second and one megabit per second upstream as "unserved" for purposes of broadband loans. unless the broadband provider has constructed or begun to construct service that meets minimal acceptable of standards as established under Section 601(e)(1) of the Rural Electrification Act of 1936. (§6115) No comparable provision. Effective date. Requires that the Secretary issue final rules before any amendments in this Subtitle take effect. (§6116) Rural Community, Business Development, and Infrastructure Programs Regional economic development No comparable provision. incentives. Amends the ConAct to prioritize project applications that support implementation of strategic investment plans on a multi-sectoral and multi-jurisdictional basis by reserving a portion of funds available in a fiscal year for such projects. Also authorizes assistance for developing strategic community investment plans. Authorizes an appropriation of \$5 million for each of FY2019-FY2023 for developing investment plans. (§6201) Expanding access to credit for rural No comparable provision. communities. Amends the ConAct to exclude guaranteed water and waste disposal loans from the requirement of an eligible rural

Access to broadband telecommunications services in rural areas. Defines an eligible rural area as any area other than a city, town, or incorporated area that has a population of greater than 20,000 inhabitants. (7 U.S.C. 950bb(b)(3)(A)(ii))

**Special conditions and limitations on loans.** Establishes various standards on borrowers. (7 U.S.C. 1983)

**Collection of fees.** Authorizes loans and loan guarantees to provide funds for the costs of the construction, improvement, and acquisition of facilities and equipment for broadband service in rural areas. (7 U.S.C. 950bb(c))

Water, waste disposal, and wastewater facility grants. Authorizes grants to capitalize revolving loan funds of nonprofit

(§6202)
Makes a rural area with a city of 20,000 or more ineligible for direct broadband loans. (§6202)

area being one of 10,000 or less population.

Authorizes the collection of loan fees for guaranteed loans in a fiscal year to equal the total subsidy costs for loan guarantees in that fiscal year. (§6203)

Authorizes the collection of loan fees for broadband guaranteed loans in a fiscal year to equal the total subsidy costs for loan guarantees in that fiscal year. (§6203)

Raises the maximum amount of project financing from \$100,000 to \$200,000.

#### **Current Law/Policy** House Passed Bill (H.R.2) Authorizes \$15 million annually for FY2019association to support water and waste water projects in rural areas. Authorizes \$30 million in grants annually for FY2008-FY2023. (§6204) FY2018, subject to annual appropriations. (7 Ú.S.C. 1926(a)(2)(B)) Rural water and wastewater technical assistance and Directs technical assistance toward identifying training programs. Provides grants to private nonprofit options to enhance long-term sustainability of organizations to provide technical assistance to rural water rural water systems. Increases appropriations for technical assistance grants from no less than systems. (7 U.S.C. 1926(a)(2)(B)) 1% or more than 3% of the water, waste disposal, and wastewater facility grant appropriation to no less than 3% or more than 5%. **(§6205)** Authorizes funding at \$25 million in FY2018 and Rural Water and Waste Water Circuit Rider Program. Provides funding to support technical assistance to water rural for each fiscal year thereafter. (§6206) water systems. Authorizes funding of \$20 million annually in FY2014 and each fiscal year thereafter. (7 U.S.C. 1926(a)(22)) Tribal college and university essential community Amends the provision by authorizing funding of facilities. Provides grant funding to entities that are tribal colleges \$5 million for each of FY2019-FY2023. (§6207) to provide the federal share of the cost of developing specific tribal college or university essential community facilities. Authorizes funding of \$10 million each of FY2008-FY2018. (7 U.S.C. 1926(a)(25)(C)) **Emergency and Imminent Community Water Assistance** Amends the program to limit any until July I of **Program.** Provides assistance to water systems in rural the fiscal year except where a natural disaster communities of 10,000 or less where there is a threat to potable has threatened potable water supplies. Authorizes funding at \$27 million annually for water supplies. Authorizes funding of \$35 million for each of FY2008-FY2018. (7 U.S.C. 1926a(i)(2)) FY2019-FY2023. (§6208) Reauthorizes appropriations at \$30 million Grants for water systems for rural and Native Villages in annually for FY2019-FY2023. (§6209) Alaska. Funding for water projects to improve sanitation and potable water in rural Alaska. Authorizes \$30 million annually for FY2008-FY2013, subject to appropriations. (7 U.S.C. 1926d) Household water well systems. Provides funding to third-Reauthorizes appropriations at \$5 million annually for FY2019-FY2023. (§6210) party organizations with expertise in residential well-water systems to construct, refurbish, and service individually owned household water well systems in rural areas for individuals with low or moderate incomes. Authorizes \$10 million annually for FY2008-FY2018, subject to appropriations. (7 U.S.C. 1926(e)) **Solid waste management grants.** Provides grant assistance for Reauthorizes appropriations at \$10 million for communities to establish or improve solid waste management each of FY2019-FY2023. (§6211) facilities. Authorizes \$10 million annually for FY2008-FY2018, subject to annual appropriations. (7 U.S.C. 1932(b)) Rural business development grants. Provides grants in rural Reauthorizes the program at \$65 million for areas for business opportunities and for support of business each of FY2019-FY2023. (§6212) enterprises that finance small and emerging private enterprises. Authorizes \$65 million for each fiscal year 2014-2018. (7 U.S.C.

appropriations. (7 U.S.C. 1932(e)(5))

Rural cooperative development grants. Authorizes the

creation of jobs in rural areas through the development of new

rural cooperatives, value-added processing, and rural businesses. Authorizes \$40 million annually for FY2008-FY2013, subject to

1932 (c)(4)(A))

Reauthorizes the program at \$40 million for

each of FY2019-FY2023. (§6213)

#### House Passed Bill (H.R.2)

Locally or regionally produced agricultural food products. Provides funding to increase domestic consumption of locally and regionally produced agricultural products and to provide affordable food products in underserved rural and urban areas. Reserves not less than 5% of the funds of the Business and Industry Loan Guarantee program for support of locally and regionally produced food. Requires an annual report to Congress on the program. (7 U.S.C. 1932(g)(9)(B)(v)(I))

Reauthorizes the program for FY2019-FY2023. **(§6214)** 

Appropriate technology transfer for rural areas. Provides grant support at an agricultural institution (e.g., universities) for information activities to agricultural producers. Authorizes \$5 million annually for FY2008-FY2018, subject to appropriations. (7 U.S.C. 1932(i)(4))

Reauthorizes the program at \$5 million for each of FY2019-FY2023. (§6215)

Rural Economic Area Partnership. The program assists communities dealing with geographic and economic isolation, low-density population, absence of nearby metropolitan centers, and historical dependence on agribusiness, out-migration, and economic upheaval to develop strategies for revitalization zones. (7 U.S.C. 1932j)

Reauthorizes the program for FY2019-FY2023. (§6216)

Intermediary Relending Program. Provides direct loans at 1% interest to intermediaries to finance business facilities and community development projects in rural areas with populations of 25,000 or less. The Rural Business Service loan to an intermediary is used to establish or fund a revolving loan program to provide financial assistance to ultimate recipients for community development projects, establishment of new businesses or expansion of existing businesses. Authorizes appropriations of \$25 million for each of FY2014-FY2018, subject to annual appropriations. (7 U.S.C 1936b(e))

Reauthorizes the program at \$10 million for each of FY2019-FY2023. (§6217)

No comparable provision.

Prison populations in the definition of *rural area*. Excludes incarcerated prison populations in determining whether an area is "rural" or a "rural area." (§6218)

National Rural Development Partnership. A state-federal rural economic development coordinating entity operating through State Rural Development Councils and a National Rural Development Coordinating Committee. Authorizes appropriations of \$10 million annually for FY2014-FY2018. (7 U.S.C. 2008m)

Reauthorizes the program at \$10 million for each of FY2019-FY2023. (§6219)

Grants for weather radio transmitters. Provides grant funding to public and nonprofit entities for the federal share of the cost of acquiring radio transmitters to increase coverage in rural areas by the all hazards weather radio broadcast system of the National Oceanic and Atmospheric Administration. Authorizes \$1 million for each of FY2014-FY2018, subject to annual appropriations. (7 U.S.C. 2008p)

Reauthorizes the program at \$1 million for each of FY2019-FY2023. **(§6220)** 

**Rural Microentrepreneur Assistance Program.** Provides grant support to third-party entities that assist rural entrepreneurs in establishing microenterprises in rural areas. Authorizes \$40 million annually in discretionary spending for each of FY2009-FY2018, subject to appropriations, and \$3 million in mandatory spending annually for FY2014-FY2018. (**7 U.S.C. 2008s**)

Reauthorizes the program at \$4 million in discretionary funding for each of FY2019-FY2023. (§6221)

Health care services. Addresses unmet health needs in the Mississippi Delta region through grants awarded to health care services and health care education programs. Authorizes \$3

Reauthorizes the program at \$3 million for each of FY2019-FY2023. (§6222)

#### House Passed Bill (H.R.2)

million in appropriations for each of FY2008-FY2018. (7 U.S.C. 2008u)

**Delta Regional Authority.** An eight-state and federal regional planning and development entity that provides loan and grant support for economic development projects in rural counties in the Mississippi Delta area. Authorizes \$30 million annually for FY2008-FY2018, subject to appropriations. (7 U.S.C. 2009aa et seq.)

Reauthorizes the program at \$12 million for each of FY2019-FY2023. (§6223)

Northern Great Plains Regional Authority. Authorizes an economic development commission that develops regional plans and makes loans and grants for infrastructure and economic development in five Great Plains states. Authorizes \$30 million annually for FY2008-FY2018, subject to appropriations. (7 U.S.C. 2009bb et seq.)

Reauthorizes the program at \$2 million for each of FY2019-FY2023. (§6224)

Rural Business Investment Program. Modeled on the Small Business Administration's Small Business Investment Companies, the Rural Business Investment Program provides funding to help capitalize Rural Business Companies that, in turn, provide loans to rural businesses. Authorizes \$20 million for each of FY2014-FY2018, subject to appropriations. (7 U.S.C. 2009cc et seq.)

Reauthorizes the program at \$20 million for each of FY2019-FY2023. (§6225)

#### **Rural Electrification Act of 1936**

Guarantees for bonds and notes issued for electrification or telephone purposes. Provides for federal guarantees for bonds and notes that finance rural electrification and telephone infrastructure. (7 U.S.C. 940c-1(f))

Reauthorizes the program through FY2023. (§6301)

**Expansion of 911 access.** Authorizes expanding the emergency telephone service of 911 in rural areas by using any funds otherwise made available for telephone loans for each of FY2008-FY2013. (7 U.S.C. 940(e)d)

Reauthorizes the program through FY2023. **(§6302)** 

Improvements to the Guarantees Underwriter Program. States that a lender receiving a guarantee on a bond or note shall pay a fee to the Secretary. (7 U.S.C. 940c-1)

Amends the Rural Electrification Act of 1936 to authorize guaranteed payments on bonds or notes issued by cooperatives or other lenders on a not-for-profit basis if the bonds are used to make utility infrastructure loans or to refinance bonds or notes issued for such purposes. Defines the terms of such bonds or notes. (§6303)

Extension of time for repayment of loans. Permits any borrower to defer the payment of principal and interest on any insured or direct loan made under this chapter under circumstances described in this subsection. (7 U.S.C. 912(b)(3)(D))

Inserts a new section that authorizes grants and no-interest loans for purposes of supporting rural economic development projects. In addition to other funds available for the program, the provision also authorizes \$10 million for each of FY2019-FY2023. (§6304)

#### Farm Security and Rural Investment Act of 2002 (Bio-Energy Provisions)

#### **Authorized Programs**

Rural Energy Savings Program. Extends program through FY2018. Provides loans to rural families and small businesses to implement durable cost-effective energy efficiency measures. Authorized to be appropriated \$75 million annually for FY2014-FY2018. (7 U.S.C. 8107a)

Adds two requirements to the loans for eligible entities section—eligibility for other loans and accounting. Increases the loan interest to not exceed 5 percent. Authorizes to be appropriated \$75 million annually for FY2019-FY2023. (§6401)

Biobased Markets Program. Extends program through

Extends program through FY2023. Authorizes

FY2018. Requires federal agencies to purchase products with maximum biobased content (explicitly including forest products) subject to availability, flexibility, and performance standards. Minimum biobased content standards applied to federal contracts on case-by-case basis. Continued voluntary labeling. Authorized mandatory funding of \$3 million annually for FY2014-FY2018 for biobased products testing and labeling. Authorized to be

to be appropriated \$2 million annually for FY2014-FY2023. No mandatory funding is authorized. Prohibits federal agencies from placing limitations on the procurement of wood and wood-based products. (§6402)

House Passed Bill (H.R.2)

Biorefinery, Renewable Chemical, and Biobased Product Manufacturing Assistance Program. Extends program through FY2018. Assists in development of new and emerging technologies for advanced biofuels, renewable chemicals, and biobased products by providing loan guarantees—not to exceed 80% of project costs—for development, construction, and/or retrofitting of commercial-scale biorefineries. Authorizes mandatory funding of \$100 million in FY2014 and \$50 million each for FY2015 and FY2016. Authorizes to be appropriated \$75 million annually for FY2014-FY2018. (7 U.S.C. 8103)

appropriated \$2 million annually for FY2014-FY2018. (7 U.S.C.

8102)

Extends program through FY2023. Expands the definition of eligible technology. Authorizes to be appropriated \$75 million annually for FY2019-FY2023. No mandatory funding is authorized. (§6403)

Repowering Assistance Program. Extends program through FY2018. Provides funds to replace the use of fossil fuels used to produce heat or power to operate biorefineries in existence as of the 2008 farm bill enactment date. Authorizes mandatory funding of \$12 million for FY2014, available until expended. Authorizes to be appropriated \$10 million annually for FY2014-FY2018. (7 U.S.C. 8104)

Extends program through FY2023. Authorizes to be appropriated \$10 million annually for FY2019-FY2023. No mandatory funding is authorized. (§6404)

Extends program through FY2023. Modifies the

advanced biofuel produced from a single eligible

commodity to not exceed one-third of the total program funding available in a fiscal year.

equitable distribution portion of the program

by limiting the amount of payments for

Bioenergy Program for Advanced Biofuels. Extends program through FY2018. Provides payments to producers to support and expand production of advanced biofuels by entering into contracts to pay producers for production of eligible advanced biofuels.

Provides mandatory funding of \$15 million annually for FY2014-FY2018. Authorizes to be appropriated \$20 million annually (FY20014-FY2018) (7 U.S.C. 8105)

Biodiesel Fuel Education Program. Extends program through FY2018. Awards competitive grants to nonprofit organizations that educate fleet operators and the public on biodiesel benefits. Provides mandatory funding of \$1 million annually (FY2008-FY2018). Authorizes to be appropriated \$1 million annually for FY2014-FY2018. (7 U.S.C. 8106)

Rural Energy for America Program. Exists in perpetuity. Provides grants to conduct energy audits and for renewable energy development assistance and provides loan guarantees and grants for energy efficiency improvement projects and renewable energy systems. Provides mandatory funds of \$50 million in FY2014 and each fiscal year thereafter. Authorizes to be appropriated \$20 million annually for FY2014-FY2018. (7 U.S.C. 8107)

Extends program through FY2023. Limits mandatory funding to FY2014-FY2018. Authorizes to be appropriated \$20 million annually for FY2014-FY2023. No mandatory funding is authorized. Provides a categorical exclusion for electric generating facilities with a capacity of 10 megawatts or less in the program from having to prepare an environmental assessments or an environmental impact

Rural Energy Self-Sufficiency Initiative. Not included in the 2014 farm bill—funding authority expired after FY2013. Established in the 2008 farm bill to provide financial assistance to increase the energy self-sufficiency of such communities. (7

annually for FY2019-FY2023. No mandatory funding is authorized. (§6405) Extends program through FY2023. Authorizes to be appropriated \$2 million annually for

Authorizes to be appropriated \$50 million

FY2019-FY2023. No mandatory funding is authorized. (§6406)

Repeals the initiative. (§6408)

statement. (§6407)

#### House Passed Bill (H.R.2)

#### U.S.C. 8109)

Feedstock Flexibility Program. Extends program through FY2018. Allows the CCC to purchase surplus sugar from processors for resale to ethanol producers for fuel ethanol. (7 U.S.C. 8110)

Biomass Crop Assistance Program. Extends program through FY2018. Provides payments to owners and operators of agricultural land and nonindustrial private forest land that establish, produce, and deliver biomass feedstocks to eligible processing plants. Modifies enrolled land eligibility requirements, limits one-time establishment payments, reduces the matching payment rate, and stipulates how much funding—10-50%—may be used for collection, harvest, storage, and transportation. (7 U.S.C. 8111)

Extends program through FY2023. (§6409)

Extends program through FY2023. Authorizes to be appropriated \$25 million annually for FY2019-FY2023. No mandatory funding is authorized. (§6410)

#### Miscellaneous

Value-added agricultural product market development grants. Provides grant support to agricultural producers to undertake projects that add value to commodities and thereby increase producer income. Also supports planning and business development for value-added projects. Authorizes \$40 million annually for FY2008-FY2018, subject to annual appropriations, in addition to \$63 million in mandatory spending to remain available until expended. (7 U.S.C. 1632a(b)(7))

Eliminates mandatory funding and increases discretionary funding to \$50 million annually FY2019-FY2023. (§6501)

Agriculture Innovation Center Demonstration Program. Provides grant funding to producers for technical assistance in developing agricultural-based businesses based on value-added production. Authorizes funding of \$1 million annually for FY2014-FY2018, subject to annual appropriations. (7 U.S.C. 1632(b)(i))

Reauthorizes the program through FY2023 at the current appropriation. (§6502)

Regional economic and infrastructure development commissions. Consists of three regional development authorities: a Northern Border Regional Commission, a Southeast Crescent Regional Commission, and a Southwest Border Regional Commission. These commissions develop regional development plans and then make infrastructure loans and grants to eligible entities in their respective regions. (40 U.S.C. 15101 et seq.) Authorizes annual appropriations of \$30 million to each of the commissions. Not more than 10% of appropriated funds to any commission can be used for administrative expenses. (40 U.S.C. 15751(b))

Reauthorizes the commissions through FY2023 at the current appropriation. **(§6503)** 

Definition of rural area for purposes of the Housing Act of 1949. Rural area is defined as any area so defined between 1990 and 2010 to remain so classified until receipt of the 2020 decennial census. The provision also caps the eligible rural population threshold at 35,000 residents or less for rural areas in excess of 10,000 and with a serious lack of mortgage credit for lower and moderate-income families. (42 U.S.C. 1490)

Amends the definition by defining rural area as any area so defined between 1990 and 2020 to remain so classified until receipt of the 2030 decennial census. The provision keeps the 35,000 population threshold for areas rural in character and with a serious lack of mortgage credit for lower and moderate-income families. (§6504)

#### **Program Repeals**

**Elimination of unfunded programs.** The following programs of the ConAct, as amended, no longer receive funding:

- Multijurisdictional regional planning organizations (Section 306(a)(23) of ConAct);
- Grants to broadcasting systems (Section 310B(f) of ConAct);

Repeals unfunded programs. (§6601)

#### House Passed Bill (H.R.2)

- Rural telework organizations (Section 379 of ConAct);
- Historical barn preservation (Section 379A of ConAct);
- Grants to train farm workers in new technologies and to train farm workers in specialized skills necessary for higher value crops (Section 379C of ConAct);
- Grants to Delta Region Agricultural Economic Development Program (Section 379D of ConAct);
- Grants for expansion of employment opportunities for individuals with disabilities in rural areas (Section 379F of ConAct);
- Regional rural collaborative investment program (Subtitle I of ConAct).

#### (7 U.S.C. 1926 et seq.)

Rural Telephone Bank. Establishes a corporate body called the Rural Telephone Bank whose general purpose is securing funds and making loans to support a telephone bank in rural areas. (7 U.S.C. 941-950b)

Repeals the Rural Telephone Bank. (§6602)

Launching Our Communities' Access to Local Television Act of 2000. Facilitates access to signals of local television stations for households located in nonserved areas and underserved areas by providing loans and loan guarantees. Authorizes such sums as necessary. (P.L. 106-553)

Amends the act by striking Sections 1001-1007 and 1009-1012 and inserting Title X—Satellite Carrier Retransmission Eligibility. (§6603)

#### **Technical Corrections**

No comparable provision.

Provides technical corrections related to various provisions of the Consolidated Farm and Rural Development Act, as amended. (§6701)

No comparable provision. (7 U.S.C. 901 et seq.)

Provides technical corrections related to various provisions of the Rural Electrification Act, as amended. **(§6702)** 

#### Table 10. Title VII: Research, Extension, and Related Matters

#### **Current Law/Policy**

#### House Passed Bill (H.R. 2)

#### Subtitle A-National Agricultural Research, Extension, and Teaching Policy Act of 1977(NARETP)

#### Agricultural research, extension, and education.

Provides support to enhance the competitiveness of the agricultural research, extension, and education capabilities of the United States. (7 U.S.C. 3101)

Non-land-grant colleges of agriculture (7 U.S.C. 3103(14)(A))

Adds the objective of supporting international scientific collaboration that leverages resources and advances the food and agricultural interests of the United States. (§7101)

Establishes a process of review within 90 days of enactment of each Non-Land Grant College of Agriculture (NLGCA) to ensure compliance in the colleges with appropriate study of food and agricultural sciences and to propose revocation of the designated NLGCA for non-compliance. Permits NLGCAs and Hispanic-serving agricultural colleges until FY2023 to no longer be designated as such institutions. (§7102)

**National advisory board**. Establishes the National Agricultural Research, Extension, Education, and Economics

Amends the membership composition of the Advisory Board. Directs the Advisory Board to

#### **Current Law/Policy** House Passed Bill (H.R. 2) Advisory Board. (7 U.S.C. 3123) make recommendations and to address long- and short-term national priorities consistent with various priorities of the Agriculture and Food Research Initiative and the NARETP Act. (§7103) Citrus disease subcommittee. Establishes a citrus disease Extends the citrus disease subcommittee through subcommittee within the specialty crops committee to advise FY2023 and changes the composition of the USDA on citrus research and establish priorities for grants subcommittee. (§7104) and regularly consult and collaborate with USDA and other groups and institutions. (7 U.S.C. 3123a(a)(2)) Renewable energy committee. Establishes a renewable Discontinues the renewable energy committee. energy committee, directs the Advisory Board to appoint (§7105)committee members, and establishes the committee's duties. (7 U.S.C. 3121(b)) Duties of the Secretary of Agriculture. Sets out the Directs the Secretary to transmit to Congress duties of the Secretary of Agriculture as concerns extension annually a report on the allocations made to, and and agricultural research at 1890 land-grant colleges, including matching funds received by, 1890 land-grant Tuskegee University. (7 U.S.C. 3221, 3222) institutions. (§7106) Grants and fellowships for food and agriculture Reauthorizes appropriations for grants and sciences education. Authorizes the Secretary to make fellowships for FY2019-FY2023. (§7107) grants and conduct fellowships to strengthen higher education in food and agricultural sciences. (7 U.S.C. 3152(m)(2)) Agriculture and food policy research centers. Reauthorizes appropriations for FY2019-FY2023. Authorizes competitive grants to, or to enter into cooperative (§7108)agreements with, policy research centers to conduct research and education programs that are objective, operationally independent, and external to the federal government and that concern the effect of public policies and trade agreements on agriculture. (7 (U.S.C. 3155(e)) Education grants to Alaska Native-serving institutions Reauthorizes appropriations for FY2019-FY2023. and Native Hawaiian-serving institutions. Authorizes (§7109)competitive grants to Alaska Native-serving institutions for the purpose of promoting and strengthening the ability of Alaska Native-serving institutions to carry out education, applied research, and related community development programs. (7 U.S.C. 3156) Nutrition Education Program. Authorizes establishment Repeals the Nutrition Education Program. (§7110) of a National Education Program to disseminate results of food and human nutrition research funded by USDA. (7 U.S.C. 3175) Continuing animal health and disease research Reauthorizes appropriations for FY2019-FY2023. programs. Directs deans of accredited colleges and the state (§7111) agricultural experiment station to develop a comprehensive animal health and disease research program for the state based on the animal health research capacity of each eligible institution in the state, which shall be submitted to the Secretary for approval and shall be used for the allocation of funds available to the state under this section. (7 U.S.C. 3195(c)(1)) Extension at 1890 land-grant colleges, including Amends by striking paragraph 4 that prohibits 1890 Tuskegee University. Limits carryover of federal funding to colleges from carrying forward to the succeeding no more than 20% of the funds received for conducting fiscal year more than 20% of the funds they receive extension activities. (7 U.S.C. 3221(a)) in a given fiscal year. (§7112) Agricultural extension at 1890 land-grant universities. Amends by establishing a scholarship grant program

Authorizes such sums as Congress may determine necessary to support continuing agricultural and forestry extension at 1890 land-grant universities. (7 U.S.C. 3222)

Grants to upgrade agricultural and food sciences facilities at 1890 land-grant colleges, including Tuskegee University. (7 U.S.C. 3222b(b))

Grants to upgrade agricultural and food sciences facilities and equipment at insular area land-grant institutions. Authorizes appropriations of \$25 million for each of FY2002-FY2018 for the acquisition and improvement of agricultural and food sciences facilities and equipment, including libraries, so that the eligible institutions may participate fully in the production of human capital. (7 U.S.C. 3222b-2(d))

Education grants program at Hispanic-serving institutions. Authorizes competitive grants to promote and strengthen Hispanic-serving institutions to carry out education, applied research, and related community development programs. (7 U.S.C. 3241(c))

No comparable provision.

Competitive grants for international agricultural science and education programs. Authorizes grants to colleges and universities that will enhance international content of curricula, promote extension of U.S. scientists' research to international peers, and enhance collaborative research with other countries. (7 U.S.C. 3292b(c)(2))

Limitation on indirect costs for agricultural research, education, and extension programs. Sets limits on indirect cost recovery on grants awarded to support research, education, and extension activities to 22% of total federal funding. (7 U.S.C. 3310)

No comparable provision.

Authorization of appropriations for research. Authorizes formula funds for agricultural research at landgrant universities. (7 U.S.C. 3311)

Authorization of appropriations for extension education. Authorizes formula funds for agricultural extension at land-grant universities. (7 U.S.C. 33312)

**Supplemental and alternative crops.** Requires USDA to develop and implement a program to develop supplemental and alternative crops. Authorizes \$1 million in appropriations for each of FY2014-FY2018. (7 U.S.C. 3319d).

#### House Passed Bill (H.R. 2)

at 1890 institutions for accepted students who intend to pursue a career in agribusiness, energy and renewable fuels, or financial management. (§7113)

Reauthorizes appropriations for FY2019-FY2023. (§7114)

Reauthorizes appropriations for FY2019-FY2023. (§7115)

Reauthorizes appropriations for FY2019-FY2023. (§7116)

Land-grant designation. Prohibits any additional entity from being designated as eligible to receive funds for agricultural research, extension, and related programs under Hatch Act, Smith-Lever Act, and McIntire-Stennis Act. (§7117)

Reauthorizes appropriations for FY2019-FY2023. (§7118)

Amends the provision to allow indirect cost recovery charged against any agricultural research, education, or extension grant awarded to increase from 22% of total federal funds received to 30% of funding. (§7119)

Research equipment grants. Adds new section to Section 1462 of NARETP Act establishing a competitive grants program for research equipment. Grant amounts may not exceed \$500,000 to an eligible institution. Authorizes \$5 million for each of FY2019-FY2023. (§7120)

Reauthorizes Hatch Act funding to state agricultural experiment stations at the current level for FY2019-FY2023. (§7121)

Reauthorizes such sums as necessary to carry out extension programs of USDA for FY2019-FY2023. (§7122)

Extends program and funding levels through FY2023. 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," among other changes.

#### Current Law/Policy House Passed Bill (H.R. 2) (§7123) Capacity-building grants for NLGCA institutions. Reauthorizes appropriations for FY2019-FY2023. Authorizes competitive grants program for NLGCAs. (7 (§7124) U.S.C. 3319i(b)) Aquaculture assistance programs. Provides competitive Reauthorizes appropriations for FY2019-FY2023. grants to support aquaculture research and assistance. (7 (§7125) U.S.C. 3324(a)(2)) Rangeland research programs. Provides competitive Reauthorizes appropriations for FY2019-FY2023. grants to support rangeland research and assistance. (7 (§7126) U.S.C. 3336(a)(2)) Special authorization for biosecurity planning and Authorizes appropriations of \$30 million for each response. Authorizes \$20 million annually for research, of FY2019-FY2023. Adds that the Secretary shall, in education, and extension activities for biosecurity planning and addition to other stated activities, use the funds to response. (7 U.S.C. 3351) coordinate tactical science activities of USDA's mission areas to protect the agricultural system of the U.S. against biosecurity threats from pests, diseases, contaminants, and disasters. (§7127) Distance education and resident instruction grants Reauthorizes appropriations for FY2019-FY2023. program for insular area institutions of higher (§7128) education. Authorizes distance education grants and resident instruction grants for insular area institutions. (7 U.S.C. 3362(f)(2), 3363(c)(2)) Matching funds requirement. Requires the recipient of a Strikes paragraph 5, which excludes competitive, competitive grant that is awarded by the Secretary under a special, and facilities research grants from the covered law to provide funds, in-kind contributions, or a matching requirement. (§7129) combination of both from sources other than funds provided through such grant in an amount that is at least equal to the amount of such grant. (7 U.S.C. 3371(d)) Subtitle B-Food, Agriculture, Conservation, and Trade Act of 1990 Best utilization of biological applications. Authorizes Reauthorizes appropriations for FY2019-FY2023. appropriations under the Sustainable Agriculture Research and (§7201)Education Program of \$40 million annually for FY2013-FY2018. (7 U.S.C. 5814) Integrated management systems. Authorizes a research Reauthorizes appropriations for FY2019-FY2023. and education program concerning integrated resource (§7202)management and integrated crop management to enhance research related to farming operations, practices, and systems that optimize crop and livestock production potential and are environmentally sound. Authorizes \$20 million annually for FY2013-FY2018. (7 U.S.C. 5821(d)) Technical guides and handbooks. (7 U.S.C. 5831(f)(2)) Reauthorizes appropriations for FY2019-FY2023. (§7203) Reauthorizes appropriations for FY2019-FY2023. National Training Program. Authorizes a National Training Program in Sustainable Agriculture to provide (§7204)education and training for Cooperative Extension Service agents and other professionals involved in the education and transfer of technical information concerning sustainable agriculture. Authorizes \$20 million annually for FY2013-FY2018. (7 U.S.C. 5832(1)) National Genetics Resources Program. Authorizes a Reauthorizes appropriations for FY2019-FY2023. National Genetics Resources Program with an appropriation (§7205)of \$1million annually for FY2013-FY2018. (7 U.S.C.

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#### 5844(b)(2)).

National Agricultural Weather Program. Authorizes a National Agricultural Weather Program with an authorized appropriation of \$1 million annually for FY2014-FY2018. (7 U.S.C. 5855(c))

Agricultural genome initiative. Establishes an Agricultural Genome Program to expand the knowledge of public and private sector entities and persons concerning genomes for species of importance to the food and agriculture sectors in order to maximize the return on the investment in genomics of agriculturally important species. (7 U.S.C. 5924)

**High-priority research and extension.** Provides for "high-priority research and extension" areas and initiatives and other programs. **(7 U.S.C. 5925)** 

Organic Agriculture Research and Extension Initiative. Establishes the Organic Agriculture Research and Extension Initiative. Provides grants to facilitate the development of organic agriculture production and processing. Provides mandatory CCC funds of \$20 million annually for FY2014-FY2018. (7 U.S.C. 5925b)

Farm business management. Authorizes competitive research and extension grants for improving the farm management knowledge and skills of agricultural producers and for establishing and maintaining a national, publicly available farm financial management database to support improved farm management. (7 U.S.C. 5925f)

Assistive Technology Program for Farmers with Disabilities. Authorizes demonstration grants to support cooperative programs between State Cooperative Extension Service agencies and private nonprofit disability organizations to provide on-the-farm agricultural education and assistance directed at accommodating disability in farm operations for individuals with disabilities who are engaged in farming and farm-related occupations and their families. (7 U.S.C. 5933)

National Rural Information Center Clearinghouse. Establishes within the National Agricultural Library, in coordination with the National Institute of Food and Agriculture, a National Rural Information Center Clearinghouse to provide and distribute information and data to any industry, organization, or federal, state, or local government entity, on request, about programs and services provided by federal, state, and local agencies and private nonprofit organizations and institutions under which individuals residing in, or organizations and state and local government entities operating in, a rural area may be eligible for any kind of assistance, including job training, education, health care, and economic development assistance and emotional and financial counseling. (7 U.S.C. 3125b(e))

Reauthorizes appropriations for FY2019-FY2023. (§7206)

Adds the phrase to Phenome after Genome. Outlines goals of research to expand knowledge concerning genomes and phenomes of crops important to the United States. Authorizes appropriation of \$30 million each fiscal year for FY2019-FY2023. (§7207)

Retains, amends, and/or adds research areas as a "high-priority." Added initiatives that cover macadamia tree health, national turfgrass research, fertilizer management, cattle fever ticks, and laying hen and turkey research. (§7208)

Reauthorizes program and increases annual CCC funding levels to \$30 million for FY2019-FY2023. (§7209)

Amends to permit the Secretary to make competitive research and extension grants for the purpose of improving farm management knowledge and skills of agricultural producers by maintaining a national, publicly available farm financial management database to support improved farm management. (§7210)

Clarifies language to make the provision apply to veterans engaged in farming or pursuing new farming opportunities. (§7211)

Reauthorizes appropriations for FY2019-FY2023. (§7212)

#### Subtitle C-Agriculture, Research, Extension, and Education Reform Act of 1998

Ending limitation on funding. Limits grant funding to no

Removes limitation on funding that restricts USDA

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more than three years and prohibits further funding after an eligible entity has received three years of funding. (7 U.S.C. 7625(e)(3))

from providing additional grant funding once an entity has received three years of grant funding. (§7300)

National food safety training. Authorizes appropriations of such sums as necessary for competitive grants to support training, education, extension, outreach, and technical assistance projects to increase the adoption of established food safety standards, guidance, and protocols. (7 U.S.C. 7625(j))

Reauthorizes appropriations through FY2023. (§7301)

Integrated research, extension, and education competitive grant program. (7 U.S.C. 7626(e))

Reauthorizes appropriations for FY2019-FY2023. **(§7302)** 

Support for research regarding diseases of wheat, triticale, and barley caused by Fusarium graminearum or by Tilletia indica. Authorizes grants to consortia of landgrant colleges and universities to enhance the ability of the consortia to carry out multi-state research projects aimed at understanding and combating diseases of wheat, triticale, and barley caused by Fusarium graminearum and related fungi. (7 U.S.C. 7628(e)(2))

Reauthorizes appropriations for FY2019-FY2023. (§7303)

Grants for youth organizations. Authorizes grants through the director of NIFA, which shall make grants to the Girl Scouts of the United States of America, the Boy Scouts of America, the National 4–H Council, and the National Future Farmers of America Organization to establish pilot projects to expand the programs carried out by the organizations in rural areas and small towns. (7 U.S.C. 7630(d)(2))

Reauthorizes appropriations for FY2019-FY2023. (§7304)

Specialty Crop Research Initiative. Provides mandatory CCC funds of \$80 million for FY2014 and each fiscal year thereafter and authorizes appropriations of \$100 million annually for FY2014-FY2018. (7 U.S.C. 7632(b)) Reserves at least \$25 million in funding for the emergency citrus disease research and extension program and includes an additional \$25 million in authorized appropriations annually for FY2014-FY2018. (7 U.S.C. 7632(j))

Extends and funding levels through FY2023, including funding for the emergency citrus disease research and extension program. Expands program eligibility to include "size-controlling rootstock systems for perennial crops" and "emerging and invasive species," among other production practices and technologies. (§7305)

Food Animal Residue Avoidance Database Program.

Reauthorizes appropriations for FY2019-FY2023. (§7306)

Establishes a database to provide livestock producers, extension specialists, scientists, and veterinarians with information to prevent drug, pesticide, and environmental contaminant residues in food animal products. (7 U.S.C. 7642(e))

fice Reauthorizes appropriations for FY2019-FY2023. and (§7307)

Office of Pest Management Policy. Establishes the Office of Pest Management Policy to coordinate USDA's policies and activities related to pesticides and pest management tools. Authorizes appropriations of such sums as necessary through FY2018. (7 U.S.C. 7653)

Reauthorizes appropriations for FY2019-FY2023. No change to current law. (§7308)

Forestry products advanced utilization research. Establishes forestry and forestry products research and extension initiative to develop and disseminate science-based tools that address the needs of the forestry sector and their respective regions; forest and timberland owners and managers; and forestry products engineering, manufacturing, and related interests. (7 U.S.C. 7655b(f)(1))

#### House Passed Bill (H.R. 2)

#### Subtitle D-Food, Conservation, and Energy Act of 2008 (FCE)

# Agricultural Biosecurity Communication Center. Establishes a communication center within USDA to collect and disseminate information and prepare for an agricultural disease emergency, agroterrorist act, or other threat to agricultural biosecurity and to coordinate activities among agencies and offices within the USDA. Authorizes \$2 million annually for FY2013-FY2018. (7 U.S.C. 8912(c)(2))

Reauthorizes appropriations for FY2019-FY2023. **(§7401)** 

### Assistance to build local capacity in agricultural biosecurity planning, preparation, and response. Authorizes a competitive grant program to support the

Authorizes a competitive grant program to support the development and expansion of advanced training programs in agricultural biosecurity planning and response for food science professionals and veterinarians. Authorizes \$15 million annually for FY2013-FY2018. (7 U.S.C. 8913)

Reauthorizes appropriations for FY2019-FY2023. (§7402)

#### Research and development of agricultural

**countermeasures.** Authorizes a competitive grant program to encourage basic and applied research and the development of qualified agricultural countermeasures. Authorizes \$15 million annually for FY2013-FY2018. (7 U.S.C. 8921(b)(2))

Reauthorizes appropriations for FY2019-FY2023. (§7403)

Agricultural Biosecurity Grant Program. Authorizes a competitive grant program to promote the development of teaching programs in agriculture, veterinary medicine, and disciplines closely allied to the food and agriculture system to increase the number of trained individuals with an expertise in agricultural biosecurity. (7 U.S.C. 8922(e)(2))

Reauthorizes appropriations for FY2019-FY2023. (§7404)

Grazinglands Research Laboratory. Establishes a research laboratory for grazingland research. (§7502, P.L. 110-246)

Amends provision to state that the Grazinglands Research Laboratory shall not be declared excess or surplus federal property for the 15-year period beginning on the date of enactment of the FCE Act. The amendment increases the time period from 10 years to 15 years. (§7405)

Natural products research program. Authorizes a natural products research program to improve human health and agricultural productivity through the discovery, development, and commercialization of products and agrichemicals from bioactive natural products, including products from plant, marine, and microbial sources. Authorizes \$7 million annually for FY2014-2018. (7 U.S.C. 5937(e))

Reauthorizes appropriations for FY2019-FY2023. **(§7406)** 

**Sun grant program.** Establishes six sun grant centers and authorizes competitive grants to enhance national energy security through the development, distribution, and implementation of biobased energy technologies. Authorizes \$75 million annually through FY2018. **(7 U.S.C. 8114(g))** 

Reauthorizes appropriations for FY2019-FY2023. **(§7407)** 

#### Subtitle E—Amendments to Other Laws

Critical Agricultural Materials Act. Authorizes a research program into the use of agricultural materials that are of strategic and industrial importance to the United States. Authorizes \$2 million annually for FY2014-FY2018. (7 U.S.C. 178n(a)(2).

Reauthorizes appropriations for FY2019-FY2023. (§7501)

Equity in Educational Land-Grant Status Act of 1994. Establishes land-grant aid to colleges. (7 U.S.C. 301 note)

Amends provision to define 36 tribal colleges as "1994 land-grant institutions." Reauthorizes

#### House Passed Bill (H.R. 2)

Research Facilities Act. Defines and authorizes funding for agricultural research facilities. (7 U.S.C. 390 et seq.)

endowment funding, capacity-building grants, and research grants for the 36 tribal colleges for FY2019-FY2023. (§7502)

Competitive, Special, and Facilities Research Grant Act. Authorizes a competitive grants program at USDA to address various areas of importance to the agricultural production, food, and nutrition sectors. (7 U.S.C. 3157(b))

Amends the Research Facilities Act (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 1994 Agriculture Reorganization Act. Adds a new section authorizing competitive grants appropriation and limiting those funds made available to no more than 25% for any one project. Limits an eligible entity to receiving funds for only one project at a time. (§7503)

Renewable Resources Extension Act of 1978.
Authorizes \$30 million annually for FY2002-FY2018 for forestry-related extension activities. (16 U.S.C. 1675, 1671)

and adding clauses that accelerate research in the use of automation or mechanization for labor-intensive tasks in crop production and distribution and remove barriers to entry for young, beginning, socially disadvantaged, veteran, and immigrant farmers and ranchers. (§7504)

Amends the act by making technical corrections

National Aquaculture Act of 1980. Authorizes appropriations of \$1 million annually for FY1991-FY2018 to the Departments of Agriculture, Commerce, and the Interior to support research on aquaculture. (16 U.S.C. 2809)

Reauthorizes appropriations for FY2019-FY2023. **(§7505)** 

Beginning Farmer and Rancher Development Program. Authorizes a beginning farmer and rancher development program to provide training, education, outreach, and technical assistance initiatives for beginning farmers or ranchers. Authorizes \$20 million in mandatory funding annually for FY2014-FY2018 and \$30 million annually for FY2014-FY2018 in discretionary spending. (7 U.S.C. 3319f)

Reauthorizes appropriations for FY2019-FY2023. **(§7506)** 

Reauthorizes mandatory and discretionary

appropriations for FY2019-FY2023. Amends to

require that grant recipients provide a match in the form of cash or in-kind contributions equal to 25% of the grant funds provided. The Secretary is authorized to waive the matching requirement to effectively reach an underserved area or population. Amendment adds new subsection outlining the purposes of the competitive grants. Requires that not less than 5% of the funds be made available to socially disadvantaged farmers and ranchers, limited resource farmers and ranchers, and farm workers who desire to become farmers and ranchers. Also requires not less than 5% of the funds be made available to support programs and services that address the needs of veteran farmers. (87507)

Federal agricultural research facilities. Provides funding for federal agricultural research facilities. (Title XIV, Public Law 99-198)

Reauthorizes appropriations for FY2019-FY2023. No change to current law. **(7508)** 

Biomass research and development. Establishes a research initiative between USDA and the Department of Energy to coordinate research and development programs and activities relating to biofuels and biobased products that are carried out by their respective departments. Authorizes \$20 million in discretionary funding annually for FY2014-2018. (7 U.S.C. 8108(h))

Reauthorizes appropriations of \$20 million for each fiscal year for FY2019-FY2023. **(§7509)** 

#### House Passed Bill (H.R. 2)

#### Subtitle F—Other Matters

**Enhanced Use Lease Authority Program.** Concerns the National Agricultural Library's authority under a pilot program to lease non-excess property. **(7 U.S.C. 3125a note)** 

Functions and duties of the Under Secretary for Research, Education, and Economics. (7 U.S.C. 6971(d)(2))

Reinstatement of District of Columbia matching requirement for certain land-grant university assistance. (P.L. 93-471, §38-1202.09(e), D.C. Official Code)

No comparable provision.

No comparable provision.

Smith-Lever Act of 1916, Sections 3 and 4; Hatch Act of 1887, Section 3; National Agricultural Research, Extension, and Teaching Policy Act, Sections 1444 and 1445.

(7 U.S.C. 343(h)(2)); (7 U.S.C 344); (7 U.S.C 366(c)); (7 U.S.C 361g); (7 U.S.C> 3221(d)); (7 U.S.C. 3222(e))

Department of Agriculture Reorganization Act of 1994, Section 251. (7 U.S.C. 6971(f)(1)(C))

No comparable provision

Transitions the lease authority program from a pilot program to a permanent program and changes the dates of report submission requirements. (§7601)

Declares that certain duties of the Secretary with respect to coordination of research across disciplines and to address the priority research areas of the Agriculture and Food Research Initiative. (§7602)

Amends Section 209 of the District of Columbia Postsecondary Education Reorganization Act to pay no more than one-half of the total cost of providing certain extension work. (§7603)

Farmland tenure, transition, and entry data initiative. Directs the Secretary to collect and report annually data and analysis on farmland ownership, tenure, transition, and entry of beginning farmers. Authorizes \$2 million each fiscal year for FY2019-FY2023. (§7604)

Transfer of administrative jurisdiction, portion of Henry A. Wallace Beltsville Agricultural Research Center, Beltsville, Maryland. Authorizes the Secretary 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 and specifies the conditions of the transfer. (§7605)

Amends provisions requiring submission of plans of work by land-grant institutions with respect to the use of formula funds and state matching funds provided under the Hatch Act, Smith-Lever Act, and similar formula funds provided to the 1890 land-grant universities. Provides that the procedures of such plans of work are not subject to audits to determine their sufficiency. (§7606)

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. (§7607)

Provides that USDA, in consultation with the Food and Drug Administration (FDA), shall develop and carry out a national science-based education campaign to increase public awareness regarding the use of biotechnology in food and agriculture production. (§7608)

#### Table 11. Title VIII: Forestry

#### **Current Law/Policy**

#### House Passed Bill (H.R. 2)

#### Subtitle A—Reauthorization and Modification of Certain Forestry Programs

Funding. Authorizes up to \$10 million in annual appropriations between FY2008 and FY2018 to implement the requirements for statewide forest resource assessments and strategies. (16 U.S.C. 2101a)

Permanently authorizes such sums as necessary to be appropriated to carry out the **Forest Legacy Program**, which was created to protect forests from conversion to non-forest uses and received average annual appropriations of approximately \$59 million from FY2014 through FY2018. (16 U.S.C. 2103c)

Permanently authorizes such sums as necessary to be appropriated to carry out the Community Forest and Open Space Conservation program. The program provides financial assistance to local governments, federally recognized Indian tribes, and nonprofit organizations to establish community forests by acquiring and protecting private forests threatened by conversion to nonforest uses. It received an average of \$2.4 million annually in appropriations between FY2014 and FY2018. (16 U.S.C. 2103d)

Permanently authorizes up to 5% of the funds made available for all CFAA programs to be appropriated to carry out a program to support innovative regional or national forest restoration projects that address priority landscapes. The **Landscape Scale Restoration** program received average annual appropriations of \$14 million from FY2014 through FY2018. (16 U.S.C. 2109a)

Authorizes up to \$5 million annually through FY2018 for the Rural Revitalization Technologies program. (7 U.S.C. 6601(d)(2))

Authorizes financial assistance for communities to plan and install wood energy systems in public buildings and authorizes appropriations of \$5 million annually through FY2018. The program has never received appropriations. (7 U.S.C. 8113)

Establishes the **Healthy Forests Reserve Program** (HFRP) to assist private and tribal landowners in restoring and enhancing forest ecosystems using 10-year agreements, 30-year contracts, 30-year easements, and permanent easements for the purposes of species recovery, improving biodiversity, and enhancing carbon sequestration as outlined in restoration plans. Authorizes appropriations for HFRP of \$12 million annually through FY2018. (16 U.S.C. 6571-6578)

Authorizes the use of procedures intended to expedite the environmental analysis, administrative review, and judicial review for specified priority forest health projects within NFS areas designated as insect and disease treatment areas under the Healthy Forests Restoration Act (HFRA) through FY2018. Section 603(c) categorically

Reauthorizes funding at the current authorized level of up to \$10 million annually through FY2023. (§8101)

Eliminates permanent authority to receive annual appropriations of such sums as necessary and instead authorizes the program to receive \$35 million annually through FY2023, subject to appropriations. (§8102)

Eliminates permanent authority to receive annual appropriations of such sums as necessary and instead authorizes the program to receive \$5 million annually through FY2023, subject to appropriations. (§8103)

Eliminates the existing program and establishes a State and Private Forest Landscape-Scale Restoration program to provide technical and financial assistance for landscape-scale restoration projects on state, tribal, or private forest land. Authorizes the program to receive \$10 million annually through FY2023, subject to appropriations. (§8104)

Reauthorizes the program at the current authorized level of up to \$5 million annually through FY2023. (§8105)

Expands the program to provide financial assistance for the installation of public or private wood energy systems or the construction of manufacturing or processing plants that use or produce innovative wood products. Changes the name to the Community Wood Energy and Wood Innovation Program. Authorizes the program to receive \$25 million annually through FY2023, subject to appropriations. (\$8106)

Expands the purposes, eligibility requirements, and enrollment priorities of the program to include species recovery and habitat conservation considerations. Authorizes federally recognized Indian tribes to sell permanent easements on lands they own in fee simple. Specifies that restoration plans may include a variety of land management practices if necessary to achieve habitat restoration objectives. Reauthorizes HFRP at the current authorized level of \$12 million annually through FY2023, subject to appropriations.

excludes priority projects from the requirements to produce an environmental assessment or environmental impact statement under NEPA (P.L. 91-109) if the project was developed through a collaborative process, is located within or in proximity to designated landscapes and specified Fire Regime Condition Classes, and involves less than 3,000 acres. (16 U.S.C. 6591a-b)

Authorizes the Secretary of Agriculture to provide matching funds to the **National Forest Foundation** (NFF) for administrative expenses through FY2018. Section 410(b) authorizes \$3 million in annual appropriations through FY2018 to provide matching funds for the NFF. (16 U.S.C. 583j)

#### House Passed Bill (H.R. 2)

Permanently authorizes the procedures for priority projects within designated treatment areas, adds hazardous fuels reduction projects as a priority project category subject to the expedited procedures, and expands the availability of the NEPA categorical exclusion (CE) to projects up to 6,000 acres. (§8107)

Reauthorizes the Secretary's authority to provide matching funds for NFF administrative expenses and appropriations at the current authorized level of \$3 million through FY2023. (§8108)

#### Subtitle B—Secure Rural Schools and Community Self-Determination Act of 2000 Amendments

The Secure Rural Schools and Community Self-Determination Act of 2000 (SRS, P.L. 106-393), as amended, requires that 50% of the funds authorized by Title II of SRS are used on (I) road maintenance, decommissioning, or obliteration or (2) stream or watershed restoration projects. (16 U.S.C. 7124(f))

Establishes local **Resource Advisory Committees** (RACs) to coordinate, review, and recommend Title II projects to the Secretary to implement on NFS lands through FY2018 and specifies that RACs shall consist of 15 members, with five members representing a balance of specified community interests. Members must reside within the state in which the RAC has jurisdiction. (16 U.S.C. 7125)

No comparable provision.

Changes the requirements to provide that 50% of the funds are to be used on timber or forest product sales, fire risk reduction, water supply, or forest stewardship projects. (§8201)

Extends the authorization for RACs through FY2023 and reduces the membership requirement to nine members, with three members representing the specified community interests. Restricts membership to the county or adjacent counties within the RAC jurisdiction. Authorizes the Secretary to designate an appointee to perform certain functions. (§8202)

Adds a new Section 209 to SRS, establishing a program for 10 select RACs to retain and use the revenues generated by projects they propose, through FY2023. (§8203)

#### Subtitle C—Availability of Categorical Exclusions to Expedite Forest Management Activities

No comparable provision.

No comparable provision.

The Endangered Species Act (ESA, P.L. 93-205) requires consultation with the Secretary of the Interior to determine if a federal action may adversely impact a species—or its habitat—listed as endangered or threatened. (16 U.S.C. 1536)

No comparable provision.

Defines relevant terms and specifies that the Secretary concerned refers to the Secretary of Agriculture for NFS lands or the Secretary of the Interior for the public lands. (§8301)

Excludes from the authorities established in the subtitle NFS or public lands that are designated wilderness areas, inventoried roadless areas except under specific conditions, or lands on which timber harvesting is prohibited by law. (§8302)

Provides for an expedited ESA consultation for forest management activities carried out under this subtitle on NFS or public lands or, if the Secretary concerned determines that the activity is not likely to adversely affect a listed species or designated critical habitat, removes the requirement for consultation. (§8303)

Authorizes the Secretary to choose which CE to use if a forest management activity on NFS or public lands qualifies for multiple CEs under

Current Law/Policy	House Passed Bill (H.R. 2)
	this subtitle. (§8304)
No comparable provision.	Establishes a CE for projects up to 6,000 acres and for any combination of addressing an insect or disease infestation; reducing hazardous fuel loads; protecting a municipal water source; maintaining, enhancing, or modifying critical habitat to protect it from catastrophic disturbances; or increasing water yield on NFS or public lands. (§8311)
No comparable provision.	Establishes a CE for projects to prevent wildfire as a result of a catastrophic event or to use and generate revenue from the sale of forest products impacted by a catastrophic event on NFS or public lands, subject to a maximum project size of 6,000 acres and a requirement to prepare a reforestation plan. (§8312)
No comparable provision.	Establishes a CE for projects up to 6,000 acres to improve, enhance, or create early successional forests for wildlife habitat improvement and other purposes on NFS or public lands. Projects should maximize production and regeneration of priority species. (§8313)
No comparable provision.	Establishes a CE for projects to remove hazardous trees to protect public health or safety, water supply, or public infrastructure on NFS or public lands. (§8314)
No comparable provision.	Establishes a CE for forest restoration or improvement projects up to 6,000 acres to reduce the risk of wildfire on NFS or public lands, including the removal of specified vegetation, including conifer trees, through livestock grazing, prescribed burns, and mechanical treatments; performance of hazardous fuels management; creation of fuel and fire breaks; modification of fences for livestock grazing; installation of erosion control devices; construction and maintenance of livestock grazing infrastructure; various specified soil treatments; and use of herbicides in accordance with applicable land and resource management plan and agency procedures. (§8315)
No comparable provision.	Establishes a CE for projects up to 6,000 acres to improve forest resiliency, reduce hazardous fuels, or improve wildlife and aquatic habitat on NFS or public lands, including timber, salvage, and regeneration harvests; prescribed burning; stream restoration and erosion control; and road and trail decommissioning activities. Projects may include permanent roads up to three miles or temporary roads for up to three years. (§8316)

#### House Passed Bill (H.R. 2) Current Law/Policy Establishes a CE for projects on NFS lands to No comparable provision. construct, reconstruct, or decommission NFS roads up to three miles; reclassify or add NFS roads; reconstruct, rehabilitate, or decommission bridges; remove dams; or maintain facilities through the use of pesticides according to federal and state requirements. (§8317) No comparable provision. Establishes a CE for projects to operate, maintain, modify, reconstruct, or decommission existing developed recreation sites on NFS lands, including activities related to facility and site maintenance and road and trail construction, reconstruction, maintenance or decommissioning, subject to a maximum of three miles for permanent roads or three years for temporary roads. (§8318) Establishes a CE for projects on NFS lands to No comparable provision. construct, reconstruct, maintain, decommission, relocate, or dispose of an administrative site. Projects may include road and trail construction, reconstruction, or maintenance activities, subject to a maximum of three miles for permanent roads or three years for temporary roads. (§8319) No comparable provision. Establishes a CE for projects on NFS lands to issue new special use authorizations or renew or modify existing or expired special use authorizations for the use or occupancy of NFS lands under certain specified conditions. Specifies that the Secretary of Agriculture is not required to prepare a project file for such actions. (§8320) Establishes a CE for certain projects located within or in proximity to Expands the availability of the CE to include the wildland-urban interface or in areas classified as Condition Class projects located in areas classified as Condition 2 or 3 in Fire Regime groups I, II, or III. (16 U.S.C. 6591b(c)) Class 2 or 3 in Fire Regimes IV and V. (§8321) Permanently authorizes the Forest Service and BLM to enter into Expands the availability of Good Neighbor Good Neighbor Agreements with states to perform authorized Agreements to include federally recognized forest restoration activities on NFS or public lands. (16 U.S.C. Indian tribes. (§8331) 2113a) Authorizes the prioritization of hazardous fuel reduction projects on Encourages the Secretary to use any funds NFS lands. (16 U.S.C. 6513) appropriated for hazardous fuels management in excess of \$300 million annually for projects on federal and nonfederal land, including the use of up to 20% or \$20 million of any excess funds annually to provide financial assistance to states for cross-boundary hazardous fuels reduction projects. (§8332) Export prohibition. Prohibits the foreign export of unprocessed Directs the Secretary to undertake a logs from the contiguous federal lands west of the 100th Meridian rulemaking to issue a determination exempting unless the Secretary concerned determines through a rulemaking unprocessed dead and dying trees on NFS process that certain grades or species of lumber are surplus to lands in California from the export prohibition domestic needs. (16 U.S.C. 620a) for 10 years. (§8333)

#### **Current Law/Policy** House Passed Bill (H.R. 2) Subtitle D—Tribal Forestry Participation and Protection Authorizes the Secretary concerned to enter into an agreement with Requires the Secretary concerned to respond federally recognized Indian tribes to implement forest or rangeland to a tribal request within 120 days and, if the projects on tribal lands or on federal lands adjacent to tribal lands. project is accepted, requires the project (25 U.S.C. 3115a(b)) analysis to be completed within two years. (§8401) No comparable provision. Authorizes the Secretary concerned and federally recognized Indian tribes, on a demonstration basis, to enter into contracts to allow tribes to perform administrative. management, and other functions of the Tribal Forest Protection Act. (§8402) Subtitle E—Other Matters No comparable provision. Establishes a research, development, education, and technical assistance program to facilitate the use of wood products in construction projects. (§8501) Establishes a pilot program through December No comparable provision. 21, 2027, for owners or operators of rights-ofway on NFS land to develop and implement vegetation management plans and perform projects on NFS lands within and up to 75 feet from the right-of-way. (§8502) No comparable provision. Prohibits the Forest Service from considering certain criteria when considering if extraordinary circumstances exist that would potentially require further review and documentation under NEPA than would normally be required under a CE, such as wilderness designations, sensitive species, cumulative impacts, threatened or endangered species, or critical habitat. Eliminates the requirements to prepare an environmental impact statement for activities that would substantially alter a potential wilderness area. Directs the Forest Service to initiate rulemaking to implement these procedures within 60 days of enactment and issue final regulations within 120 days of enactment. (§8503) States that nothing in this title or any No comparable provision. amendments made to the title would impact the availability of funds or other resources for wildfire suppression. (§8504) The Wildfire Suppression Funding and Forest Management Activities Makes technical amendments. (§8505) Act, enacted as Title I of Division O of the FY2018 Consolidated Appropriations Act (P.L. 115-141), establishes a new mechanism for funding federal wildfire suppression activities.

#### Subtitle A—Reauthorization and Modification of Certain Forestry Programs

**Funding.** Authorizes up to \$10 million in annual appropriations between FY2008 and FY2018 to implement the requirements for statewide forest resource assessments and strategies. (16 U.S.C.

Reauthorizes funding at the current authorized level of up to \$10 million annually through FY2023. (\$8101)

#### House Passed Bill (H.R. 2)

#### 2101a)

Permanently authorizes such sums as necessary to be appropriated to carry out the **Forest Legacy Program**, which was created to protect forests from conversion to non-forest uses and received average annual appropriations of approximately \$59 million from FY2014 through FY2018. (16 U.S.C. 2103c)

Permanently authorizes such sums as necessary to be appropriated to carry out the Community Forest and Open Space Conservation program. The program provides financial assistance to local governments, federally recognized Indian tribes, and nonprofit organizations to establish community forests by acquiring and protecting private forests threatened by conversion to nonforest uses. It received an average of \$2.4 million annually in appropriations between FY2014 and FY2018. (16 U.S.C. 2103d)

Permanently authorizes up to 5% of the funds made available for all CFAA programs to be appropriated to carry out a program to support innovative regional or national forest restoration projects that address priority landscapes. The **Landscape Scale Restoration** program received average annual appropriations of \$14 million from FY2014 through FY2018. (16 U.S.C. 2109a)

Authorizes up to \$5 million annually through FY2018 for the Rural Revitalization Technologies program. (7 U.S.C. 6601(d)(2))

Authorizes financial assistance for communities to plan and install wood energy systems in public buildings and authorizes appropriations of \$5 million annually through FY2018. The program has never received appropriations. (7 U.S.C. 8113)

assist private and tribal landowners in restoring and enhancing forest ecosystems using 10-year agreements, 30-year contracts, 30-year easements, and permanent easements for the purposes of species recovery, improving biodiversity, and enhancing carbon sequestration as outlined in restoration plans. Authorizes appropriations for HFRP of \$12 million annually through FY2018. (16 U.S.C. 6571-6578) Authorizes the use of procedures intended to expedite the environmental analysis, administrative review, and judicial review for specified priority forest health projects within designated insect and disease treatment areas, within the NFS through FY2018. Section 603(c) categorically excludes priority projects from the requirements to produce an environmental assessment or environmental impact statement under NEPA (P.L. 91-109) if the project was developed through a collaborative process, is located within or in proximity to designated landscapes and specified Fire Regime Condition Classes, and involves less than 3,000 acres. (16 U.S.C. 6591a-b)

Establishes the Healthy Forests Reserve Program (HFRP) to

Eliminates permanent authority to receive annual appropriations of such sums as necessary and instead authorizes the program to receive \$35 million annually through FY2023, subject to appropriations. (§8102)

Eliminates permanent authority to receive annual appropriations of such sums as necessary and instead authorizes the program to receive \$5 million annually through FY2023, subject to appropriations. (§8103)

Eliminates the existing program and establishes a State and Private Forest Landscape-Scale Restoration program to provide technical and financial assistance for landscape-scale restoration projects on state, tribal, or private forest land. Authorizes the program to receive \$10 million annually through FY2023, subject to appropriations. (§8104)

Reauthorizes the program at the current authorized level of up to \$5 million annually through FY2023. (§8105)

Expands the program to provide financial assistance for the installation of public or private wood energy systems or the construction of manufacturing or processing plants that use or produce innovative wood products. Changes the name to the Community Wood Energy and Wood Innovation Program. Authorizes the program to receive \$25 million annually through FY2023, subject to appropriations. (§8106)

Expands the purposes, eligibility requirements, and enrollment priorities of the program to include species recovery and habitat conservation considerations. Authorizes federally recognized Indian tribes to sell permanent easements on lands they own in fee simple. Specifies that restoration plans may include a variety of land management practices if necessary to achieve habitat restoration objectives. Reauthorizes HFRP at the current authorized level of \$12 million annually through FY2023, subject to appropriations.

Permanently authorizes the procedures for priority projects within designated treatment areas, adds hazardous fuels reduction projects as a priority project category subject to the expedited procedures, and expands the availability of the NEPA categorical exclusion (CE) to projects up to 6,000 acres. (§8107)

#### House Passed Bill (H.R. 2)

Authorizes the Secretary of Agriculture to provide matching funds to the **National Forest Foundation** (NFF) for administrative expenses through FY2018. Section 410(b) authorizes \$3 million in annual appropriations through FY2018 to provide matching funds for the NFF. (16 U.S.C. 583j)

Reauthorizes the Secretary's authority to provide matching funds for NFF administrative expenses and appropriations at the current authorized level of \$3 million through FY2023. (§8108)

#### Subtitle B—Secure Rural Schools and Community Self-Determination Act of 2000 Amendments

The Secure Rural Schools and Community Self-Determination Act of 2000 (SRS, P.L. 106-393), as amended, requires that 50% of the funds authorized by Title II of SRS are used on (I) road maintenance, decommissioning, or obliteration or (2) stream or watershed restoration projects. (16 U.S.C. 7124(f))

Establishes local **Resource Advisory Committees** (RACs) to coordinate, review, and recommend Title II projects to the Secretary to implement on NFS lands through FY2018 and specifies that RACs shall consist of 15 members, with five members representing a balance of specified community interests. Members must reside within the state in which the RAC has jurisdiction. (16 U.S.C. 7125)

No comparable provision.

Changes the requirements to provide that 50% of the funds are to be used on timber or forest product sales, fire risk reduction, water supply, or forest stewardship projects. (§8201)

Extends the authorization for RACs through FY2023 and reduces the membership requirement to nine members, with three members representing the specified community interests. Restricts membership to the county or adjacent counties within the RAC jurisdiction. Authorizes the Secretary to designate an appointee to perform certain functions. (§8202)

Adds a new Section 209 to SRS, establishing a program for 10 select RACs to retain and use the revenues generated by projects they propose, through FY2023. (§8203)

#### Subtitle C—Availability of Categorical Exclusions to Expedite Forest Management Activities

No comparable provision.

No comparable provision.

The Endangered Species Act (ESA, P.L. 93-205) requires consultation with the Secretary of the Interior to determine if a federal action may adversely impact a species—or its habitat—listed as endangered or threatened. (16 U.S.C. 1536)

No comparable provision.

No comparable provision.

Defines relevant terms and specifies that the Secretary concerned refers to the Secretary of Agriculture for NFS lands or the Secretary of the Interior for the public lands. (§8301)

Excludes from the authorities established in the subtitle NFS or public lands that are designated wilderness areas, inventoried roadless areas except under specific conditions, or lands on which timber harvesting is prohibited by law. (§8302)

Provides for an expedited ESA consultation for forest management activities carried out under this subtitle on NFS or public lands or, if the Secretary concerned determines that the activity is not likely to adversely affect a listed species or designated critical habitat, removes the requirement for consultation. (§8303)

Authorizes the Secretary to choose which CE to use if a forest management activity on NFS or public lands qualifies for multiple CEs under this subtitle. (§8304)

Establishes a CE for projects up to 6,000 acres and for any combination of addressing an insect or disease infestation; reducing hazardous fuel loads; protecting a municipal water source; maintaining, enhancing, or modifying critical habitat to protect it from catastrophic

Current Law/Policy	House Passed Bill (H.R. 2)
	disturbances; or increasing water yield on NFS or public lands. (§8311)
No comparable provision.	Establishes a CE for projects to prevent wildfire as a result of a catastrophic event or to use and generate revenue from the sale of forest products impacted by a catastrophic event on NFS or public lands, subject to a maximum project size of 6,000 acres and a requirement to prepare a reforestation plan. (§8312)
No comparable provision.	Establishes a CE for projects up to 6,000 acres to improve, enhance, or create early successional forests for wildlife habitat improvement and other purposes on NFS or public lands. Projects should maximize production and regeneration of priority species. (§8313)
No comparable provision.	Establishes a CE for projects to remove hazardous trees to protect public health or safety, water supply, or public infrastructure on NFS or public lands. (§8314)
No comparable provision.	Establishes a CE for forest restoration or improvement projects up to 6,000 acres to reduce the risk of wildfire on NFS or public lands, including the removal of specified vegetation, including conifer trees, through livestock grazing, prescribed burns, and mechanical treatments; performance of hazardous fuels management; creation of fuel and fire breaks; modification of erosion control devices; construction and maintenance of livestock grazing infrastructure; various specified soil treatments; and use of herbicides in accordance with applicable land and resource management plan and agency procedures. (§8315)
No comparable provision.	Establishes a CE for projects up to 6,000 acres to improve forest resiliency, reduce hazardous fuels, or improve wildlife and aquatic habitat on NFS or public lands, including timber, salvage, and regeneration harvests; prescribed burning; stream restoration and erosion control; and road and trail decommissioning activities. Projects may include permanent roads up to three miles or temporary roads for up to three years. (§8316)
No comparable provision.	Establishes a CE for projects on NFS lands to construct, reconstruct, or decommission NFS roads up to three miles; reclassify or add NFS roads; reconstruct, rehabilitate, or decommission bridges; remove dams; or maintain facilities through the use of pesticides according to federal and state requirements. (§8317)

Current Law/Policy	House Passed Bill (H.R. 2)
No comparable provision.	Establishes a CE for projects to operate, maintain, modify, reconstruct, or decommission existing developed recreation sites on NFS lands, including activities related to facility and site maintenance and road and trail construction, reconstruction, maintenance or decommissioning, subject to a maximum of three miles for permanent roads or three years for temporary roads. (§8318)
No comparable provision.	Establishes a CE for projects on NFS lands to construct, reconstruct, maintain, decommission, relocate, or dispose of an administrative site. Projects may include road and trail construction, reconstruction, or maintenance activities, subject to a maximum of three miles for permanent roads or three years for temporary roads. (§8319)
No comparable provision.	Establishes a CE for projects on NFS lands to issue new special use authorizations or renew or modify existing or expired special use authorizations for the use or occupancy of NFS lands under certain specified conditions. Specifies that the Secretary of Agriculture is not required to prepare a project file for such actions. (§8320)
Establishes a CE for certain projects located within or in proximity to the wildland-urban interface or in areas classified as Condition Class 2 or 3 in Fire Regime groups I, II, or III. (16 U.S.C. 6591b(c))	Expands the availability of the CE to include projects located in areas classified as Condition Class 2 or 3 in Fire Regimes IV and V. (§8321)
Permanently authorizes the Forest Service and BLM to enter in to <b>Good Neighbor Agreements</b> with states to perform authorized forest restoration activities on NFS or public lands. (16 U.S.C. 2113a)	Expands the availability of Good Neighbor Agreements to include federally recognized Indian tribes. (§8331)
Authorizes the prioritization of hazardous fuel reduction projects on NFS lands. (16 U.S.C. 6513)	Encourages the Secretary to use any funds appropriated for hazardous fuels management in excess of \$300 million annually for projects on federal and nonfederal land, including the use of up to 20% or \$20 million of any excess funds annually to provide financial assistance to states for cross-boundary hazardous fuels reduction projects. (§8332)
<b>Export prohibition.</b> Prohibits the foreign export of unprocessed logs from the contiguous federal lands west of the 100 <sup>th</sup> Meridian unless the Secretary concerned determines through a rulemaking process that certain grades or species of lumber are surplus to domestic needs. (16 U.S.C. 620a)	Directs the Secretary to undertake a rulemaking to issue a determination exempting unprocessed dead and dying trees on NFS lands in California from the export prohibition for 10 years. (§8333)
Subtitle D—Tribal Forestry Participation and Protection	
Authorizes the Secretary concerned to enter into an agreement with federally recognized Indian tribes to implement forest or rangeland projects on tribal lands or on federal lands adjacent to tribal lands. (25 U.S.C. 3115a(b))	Requires the Secretary concerned to respond to a tribal request within 120 days and, if the project is accepted, requires the project analysis to be completed within two years. (§8401)
No comparable provision.	Authorizes the Secretary concerned and federally recognized Indian tribes, on a

Current Law/Policy	House Passed Bill (H.R. 2)
	demonstration basis, to enter into contracts to allow tribes to perform administrative, management, and other functions of the Tribal Forest Protection Act. (§8402)
Subtitle E—Other Matters	
No comparable provision.	Establishes a research, development, education and technical assistance program to facilitate the use of wood products in construction projects. (§8501)
No comparable provision.	Establishes a pilot program through December 21, 2027, for owners or operators of rights-of-way on NFS land to develop and implement vegetation management plans and perform projects on NFS lands within and up to 75 feet from the right-of-way. (§8502)
No comparable provision.	Prohibits the Forest Service from considering certain criteria when considering if extraordinary circumstances exist that would potentially require further review and documentation under NEPA than would normally be required under a CE, such as wilderness designations, sensitive species, cumulative impacts, threatened or endangered species, or critical habitat. Eliminates the requirements to prepare an environmental impact statement for activities that would substantially alter a potential wilderness area. Directs the Forest Service to initiate rulemaking to implement these procedures within 60 days of enactment and issue final regulations within 120 days of enactment. (§8503)
No comparable provision.	States that nothing in this title or any amendments made to the title would impact the availability of funds or other resources for wildfire suppression. (§8504)
The Wildfire Suppression Funding and Forest Management Activities Act, enacted as Title I of Division O of the FY2018 Consolidated Appropriations Act (P.L. 115-141), establishes a new mechanism for funding federal wildfire suppression activities.	Makes technical amendments. (§8505)

Table 12. Title IX: Horticulture		
Current Law/Policy	House Passed Bill (H.R. 2)	
Specialty Crop, Organic Agriculture, and Local Foods Programs		
Specialty crop market news. Authorizes support for the collection and dissemination of market news for specialty crops. Authorized appropriations of \$9 million annually through FY2018 to remain available until expended. (7 U.S.C. 1622b(b))	Reauthorizes program and funding levels through FY2023. <b>(§9001)</b>	
Farmers' Market and Local Food Promotion Program. Authorizes the promotion of (1) farmers' markets, community-supported agriculture programs, and other direct producer-to-consumer market opportunities and (2) local and regional food	Amends 7 U.S.C. 3005(g)(3) only, which authorizes discretionary appropriations for these programs. Reorganizes the paragraph and authorizes appropriations of \$30 million	

#### House Passed Bill (H.R. 2)

business enterprises. Authorizes CCC funding of \$30 million annually (FY2014 through FY2018) and authorized appropriations of \$10 million each year (FY2014-FY2018). (7 U.S.C. 3005)

annually for FY2019-FY2023. Does not make changes to the mandatory funding Section in (g)(1) and does not add any mandatory funding beyond FY2018. (§9002)

Food safety education initiatives. Amends the Agricultural Research, Extension, and Education Reform Act of 1998 (P.L. 105-185) to implement a program to educate fresh produce industry personnel and consumers on ways to reduce pathogens in fresh produce. Authorizes appropriations of \$1 million annually to remain available until expended. (7 U.S.C. 7655a(c))

Reauthorizes program and funding levels through FY2023. (§9003)

Block grants to states. The Specialty Crops Competitiveness Act of 2004 (P.L. 108-465), as amended, authorizes block grants to states to support projects in marketing, research, pest management, and food safety, among other purposes. Authorizes CCC funding of \$72.5 million annually (FY2014-FY2017) and \$85 million for FY2018 and each fiscal year thereafter. Funding for multi-state project grants shall remain available until expended, rising from \$1 million (FY2014) to \$5 million (FY2018). (7 U.S.C. 1621 note)

Reauthorizes program and funding levels through FY2023. Requires USDA enter into a cooperative agreement to conduct program evaluation with state government and industry stakeholders (§9004)

Plant Variety Protection Act. Provides legal intellectual property rights protection to breeders of new varieties of plants that are sexually reproduced (by seed) or tuber-propagated. USDA issues Certificates of Protection that protect varieties for 20 years (25 years for vines and trees). (7 U.S.C. 2401(a), 2402(a), 2541(a)(3), and 2568(a))

Amends the Plant Variety Protection Act to include certain protections for sexually reproduced varieties. (§9005)

National Organic Program (NOP). The Organic Foods Production Act of 1990 authorizes NOP to develop and enforce national standards for organically produced agricultural products. Authorizes the creation of NOSB and the creation of the "National List of Approved and Prohibited Substances for Organic Farming and Handling Operations." Authorized appropriations were \$15 million annually (FY2014-FY2018). (7 U.S.C. 6522) Provides \$5 million in CCC funding for technology upgrades. (7 U.S.C. 6519)

Section 7407(d) of the 2002 farm bill, as amended, requires USDA to collect data under the Organic Production and Market Data Initiatives (ODI), providing \$5 million in mandatory CCC funds in FY204 (to remain available until expended). (7 U.S.C. 5925c) Section 10606 establishes the National Organic Certification Cost Share Program (NOCCSP) to help producers and handlers of organic products obtain certification. Provides \$11.5 million in FY2014, to remain available until expended. (7 U.S.C. 6523)

Amends NOP to include provisions in H.R. 3871 (Organic Farmer and Consumer Protection Act of 2017), including the following: limits the types of operations excluded from NOP certification; requires electronic import documentation; establishes mechanisms for collaborative investigations and enforcement; requires increased documentation: increases accreditation authority of NOP over certifying agents; requires audits of satellite offices; ensures coordination and access to data; and requires additional reporting. (§9006(a),(e)-(f)) Reauthorizes NOP appropriations, increasing from \$16.5 million (FY2019) to \$24 million (FY2023), and provides \$5 million for technology upgrades to improve tracking and verification of organic imports. (§9006(g)-(h)) Reauthorizes ODI funds at current levels. (§9006(i)) Funding for NOCCSP is not reauthorized. Requires USDA to establish procedures for expedited petitions for postharvest handling substances related to food safety pertaining to the NOP's "National List of Approved and Prohibited Substances." (§9006(b)) Amends the eligibility and consultation requirements of the NOSB. (§9006(c)-(d))

Pecan marketing orders. Section 8e of the Agricultural Marketing Agreement Act of 1937 requires U.S. import of fruit, vegetable, and specialty crops to meet the same or comparable grade, size, quality, and maturity standards as domestic products

Adds pecans to the list of products with import prohibitions regulating the grade, size, quality, or maturity of certain crops. (§9202)

#### House Passed Bill (H.R. 2)

covered by federal marketing orders. (7 U.S.C. 608e-I(a))

**Food labeling.** The Nutrition Labeling and Education Act of 1990 (P.L. 101-535) amended the Federal Food, Drug, and Cosmetic Act and provides the FDA with the authority to require nutrition labeling on most packaged foods. (21 U.S.C. 343(q))

Requires USDA to submit a report to the House and Senate Agriculture Committees examining the effect of a final FDA regulation, "Food Labeling: Revision of the Nutrition and Supplement Facts Labels" (81 Federal Register 33742) and whether the nutrition facts panel on the labeling of packaged food regarding "added sugar" should apply for foods with added honey and maple syrup. (§9203)

#### **Regulation of Pesticides and Other Agricultural Chemicals**

Role of states in regulation of pesticides. The Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) governs the sale, distribution, and use of pesticides through registration (i.e., licensing), which includes the approval of a label specifying its proper use. FIFRA requires EPA to cooperate with federal and state agencies in administering the act and its regulations and authorizes EPA to award cooperative agreements to enforce the act. FIFRA provides that states may regulate the sale or use of any federally registered pesticide in their respective jurisdictions but only if and to the extent the regulation does not permit any sale or use prohibited under the act. (7 U.S.C. 136, 136t, 136u, 136v, 136w)

Pesticide registrations; experimental use permits. FIFRA Section 3 specifies criteria for the registration of a pesticide by EPA, establishes a process for the periodic review of existing pesticide registrations, and authorizes EPA to conditionally grant the registration of a pesticide if it meets certain criteria. FIFRA Section 5 governs the issuance of experimental use permits for pesticides. (7 U.S.C. 136a, 136c, 136d)

ESA authorizes federal agencies, such as EPA, to consult with the Interior Department's Fish and Wildlife Service (FWS) and the Commerce Department's National Marine Fisheries Service (NMFS) when federal agency actions may likely jeopardize the continued existence of any endangered or threatened species or adversely modify their critical habitat. (16 U.S.C. 1536)

Administrative review; suspension. FIFRA Section 6 governs the cancellation, change in classification, or suspension of a pesticide registration. (7 U.S.C. 136d)

**Unlawful acts.** FIFRA Section 12 specifies unlawful acts that are subject to civil or criminal penalties. (7 U.S.C. 136j)

**Authority of states.** FIFRA Section 24 authorizes a state to register EPA-registered pesticides for additional uses to meet special local needs within the state if EPA had not previously disapproved such uses. (7 U.S.C. 136v)

Amends FIFRA to define State lead agency and requires EPA to cooperate with federal agencies and state agencies regarding FIFRA regulations. Authorizes EPA to award cooperative agreements to states and tribes to ensure uniformity of FIFRA regulations. Expressly preempts political subdivisions of a state, but not a state, from regulating the sale and use of pesticides within their respective jurisdictions. (§9101)

Amends FIFRA to require EPA to determine that certain agency actions are not likely to jeopardize the survival of a federally listed threatened or endangered species or alter critical habitat in a way that affects the survival and recovery of such species and expressly states that EPA is not required to consult with FWS and NMFS under ESA unless requested by an applicant for a pesticide registration. Requires EPA to consider certain information when making such a determination and engage in collaboration with other federal agencies. (§9111, 9112)

Authorizes EPA to initiate proceedings to cancel a pesticide registration or change a pesticide's classification if the agency determines that the proper use of the registered pesticide jeopardizes the survival of a federally listed species or alters critical habitat in a way that affects the survival and recovery of such species. (§9113)

Clarifies that any taking of federally listed species incidental to the lawful use of a pesticide that EPA has determined not to jeopardize the survival of such species or alter their critical habitat shall not be considered unlawful under ESA. (§9114)

Amends requirements regarding state pesticide registrations and federally listed species considerations. Repeals EPA authority to suspend the authority of a state to register

#### House Passed Bill (H.R. 2)

No comparable provision.

Use and discharges of authorized pesticides. FIFRA Section 3 directs EPA to register pesticides that have a pesticidal effect and, when used in conformance with labeling directions, do not present unreasonable adverse effects on human health or the environment. Pesticide registrations govern the sale, distribution, and use of a pesticide. (7 U.S.C. 136a) The Clean Water Act (CWA) makes it unlawful to discharge any pollutant into navigable waters unless specifically authorized by a permit, such as a permit for the discharge of a pollutant or group of pollutants from a point source into navigable waters under Section 402. Any person who unlawfully discharges a pollutant is subject to civil/criminal penalties. (33 U.S.C. 1342)

Pesticide general permits cover most discharges of biological and chemical pesticides into navigable waters.

Pesticide registration fees reauthorization. FIFRA authorizes EPA to collect fees from pesticide manufacturers for the maintenance of existing pesticide registrations and evaluation of applications to register new pesticides, amend existing registrations, or related activities. (7 U.S.C. 136 et seq.)

Methyl bromide. Section 419 of the Plant Protection Act provides that USDA—in consultation with state, local and tribal authorities—shall establish a program to identify alternatives to methyl bromide for treatment and control of plant pests and weeds. For uses where no registered, effective, economically feasible alternatives available can currently be identified, USDA shall initiate research programs to develop alternative methods of control and treatment. (7 U.S.C. 7719)

**Definition of retail facilities.** Occupational Safety and Health Act of 1970 (OSHA) regulations exempt retail facilities from its standards for Process Safety Management (PSM) of Highly Hazardous Chemicals. While current regulations do not define the term *retail facility*, OSHA, in accordance with a ruling of the U.S. Court of Appeals, considers a facility to be a retail facility if more than half of the facility's income is obtained from direct sales to end users. **(29 U.S.C. 655)** 

Report on regulation of plant biostimulants. Plant biostimulant is not defined in current law or regulation. Plant biostimulants that meet the definition of a "plant regulator" under FIFRA (7 U.S.C. §136 et seq.) are subject to requirements under the act.

pesticides for not exercising adequate controls. (§9115)

Directs EPA to publish, and revise as appropriate, a work plan and processes for completing determinations on whether the registration of a pesticide would jeopardize the survival of federally listed threatened or endangered species or would alter their critical habitat. (§9116)

Amends FIFRA to prohibit EPA or a state from requiring a permit for point source discharges of a pesticide registered under FIFRA into navigable waters except in specific circumstances provided under new CWA Section 402(s). (§9117)

Amends the CWA to prohibit EPA or a state from requiring a permit for point source discharges of a pesticide registered under FIFRA into navigable waters. Defines circumstances where a permit would be required (e.g., pesticide applications in violation of FIFRA, stormwater discharges, industrial or treatment works effluents, and certain vessel discharges). (§9118)

Enacts into law H.R. 1029 of the 115<sup>th</sup> Congress, entitled the Pesticide Registration Improvement Enhancement Act of 2017. As passed by the House on March 20, 2017, H.R. 1029 would amend FIFRA to extend the authority to collect pesticide fees and for other purposes. (§9119)

Requires USDA to establish a process to determine authorized methyl bromide uses in response to an emergency event. Amends the definition of an emergency event. Sets limitations on use per emergency event to allow for up to 20 metric tons of methyl bromide to be used per event at a specific location. (§9121)

Requires OSHA to revise the PSM standard to formally define retail facility in accordance with its current, income-based definition. (\$9131)

Requires USDA—in consultation with EPA, states, and stakeholders—to submit a report to the President and Congress that identifies potential regulatory and legislative reforms to ensure the expeditious and appropriate review, approval, uniform national labeling, and availability of plant biostimulant products to agricultural producers. Defines plant

# Current Law/Policy House Passed Bill (H.R. 2) biostimulant for purposes of the section. (§9201)

#### Table 13. Title X: Crop Insurance

#### Current Law/Policy—Crop Insurance

#### House Passed Bill (H.R.2)

#### Treatment of Forage and Grazing

Catastrophic risk protection. Requires FCIC to offer catastrophic risk protection (high-deductible coverage) for all crops except for "crops and grasses used for grazing." (7 U.S.C. 1508(b)(1))

Ineligible producers. Makes producers ineligible to receive both catastrophic risk protection benefits and other assistance for the same loss under any program administered by the Secretary of Agriculture, with the exception of certain emergency loans. (7 U.S.C. 1508(n)(1),(2))

No comparable provision.

Strikes the exception that provides that catastrophic risk protection plans shall not be available for crops and grasses used for grazing. (§10001(a))

Provides an exception to the limitation on multiple benefits for the same loss for coverage described in the new Section 508D of the Federal Crop Insurance Act. (§10001(b))

Expanded coverage for forage and grazing. Adds a new Section 508D, which permits separate crop insurance policies, including a catastrophic risk protection plan, to be purchased for crops that can be both grazed and mechanically harvested on the same acres during the same growing season. Such separate policies can be independently indemnified for each intended use. (§10001(c))

#### **Administrative Basic Fee**

**CAT fees.** Sets the administrative fee for catastrophic risk protection (commonly referred to as CAT fees) at \$300 per crop per county. (7 U.S.C. 1508(b)(5)(A))

Increases the administrative basic fee from \$300 to \$500 per crop per county. (§10002)

#### **Prevention of Duplicative Coverage**

Additional coverage. Requires FCIC to offer plans of insurance that provide additional coverage, including additional coverage based on an individual yield and loss basis, an area yield and loss basis, an individual yield and loss basis supplemented with coverage based on an area yield and loss basis, or a margin basis. (7 U.S.C. 1508(c)(1))

Provides 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 coverage based on the supplemental coverage option. (§10003(a)) Adds conforming amendments. (§10003(b))

#### Repeal of Authority for Performance-Based Premium Discounts

**Performance-based premium discounts.** Authorizes FCIC to provide performance-based premium discounts to producers with "good insurance or production experience relative to other producers" of the same crop in the same area. **(7 U.S.C. I 508(d))** 

Repeal the authority for performance-based discounts for producers. (§10004(a))
Adds conforming amendments. (§10004(b))

#### Addition of Producer Option to Limit APH Decreases

**Calculation of APH yields.** Details how FCIC determines yields and provides exceptions to the calculation of actual production history (APH) yields, such as transitional yields and yield exclusion options. **(7 U.S.C. 1508(g))** 

Requires FCIC to establish underwriting rules that would give producers the choice to limit their APH decreases to 10% of the previous year's APH. Requires actuarially sound premiums to cover the additional risk. (§10005)

#### Current Law/Policy—Crop Insurance

#### House Passed Bill (H.R.2)

#### Program Administration—Reviews, Compliance, and Integrity

Funding for reviews, compliance, and program integrity. Provides up to \$9,000,000 per fiscal year from the insurance fund for expenses, including operating and reviewing plans of insurance (including actuarial and related information) and for maintaining the actuarial soundness and financial integrity of the program. Allows the Secretary to merge some or all of the funds into the accounts of the Risk Management Agency (RMA) and to obligate the funds. (7 U.S.C. 1516(b)(2)(C)(i) and (ii))

Reduces the funds available for review, compliance, and program integrity from \$9 million to \$7 million per fiscal year. (§10006)

#### Reimbursement of Private Submissions

Research, development, and maintenance costs. Authorizes FCIC to contract with private submitters to research and develop new crop insurance policies. FCIC may approve up to 75% of the projected total research and development costs to be paid in advance to an applicant. Provides for reimbursement of "reasonable research and development costs." (7 U.S.C. 1522(b))

Allows for reimbursement of "reasonable and actual research and development costs" related to policies that have been approved by the FCIC board. Defines reasonable and actual costs as costs based on (I) wage rates equal to two times Bureau of Labor Statistics hourly wage rates plus benefits or (2) actual documented costs incurred by the applicant. Prohibits disapproval of a user fee based on (I) it being compared to a maintenance fee or (2) the potential for the fee to result in a financial gain/loss to the applicant. Limits discretion of the FCIC board in approval of user fees. (§10007(a))

No comparable provision.

Resubmission of reimbursement requests. Provides that this section applies 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. (§10007(b))

#### Research and Development

**Priorities.** Authorizes FCIC to conduct activities or contract for research and development efforts to maintain or improve existing policies or develop new policies. Directs FCIC to conduct or contract for specific types of coverage for specific crops or livestock. **(7 U.S.C. 1522(c))** 

Strikes 16 completed studies and research and development contracts. (§10008(a))

Defines beginning farmer or rancher for the 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. (§10008(b))

Requires FCIC to contract with one or more qualified entities to conduct research and development on (I) a policy to insure certain crops due to losses due to tropical storms or hurricanes; (2) create a separate practice for subsurface irrigation; (3) the difference in rates, average yields, and coverage levels of grain sorghum policies as compared to other feed grains within a county (with a reporting requirement of sorghum study results within a year of enactment) and; (4) establish an alternative (and optional) method of adjusting for quality losses that does not impact the APH of producers. (§10008(c))

#### Current Law/Policy—Crop Insurance

# **Funding.** Under Sections 522 and 523 of the Federal Crop Insurance Act, FCIC may enter into contracts to carry out research and development for new crop insurance policies but may not conduct research itself. (7 U.S.C. 1522)

#### House Passed Bill (H.R.2)

Amends the act to discontinue partnerships for risk management development and implementation and to reduce CCC funding for research and development contracting from \$12.5 million to no more than \$8 million for FY2019 and each subsequent fiscal year. (§10009)

#### **Education and Risk Management Assistance**

**Underserved states.** Authorizes FCIC to establish a program for crop insurance education and information to producers in states where federal crop insurance participation and availability are low and producers are underserved by the federal crop insurance program. **(7 U.S.C. 1524(a)(2))** 

Partnerships for risk management education. Authorizes the Secretary, through NIFA, to establish a program of competitive grants for public and private entities to educate agricultural producers about the full range of risk management activities, including futures, options, agricultural trade options, and crop insurance, among others. (7 U.S.C. 1524(a)(3))

Agricultural Management Assistance (AMA) Program. Authorizes the AMA program, which provides financial and technical to producers in 16 specified states for conservation practices, risk mitigation, and market diversification. Provides \$15 million in annual mandatory funding in FY2008-FY2014 and \$10 million each fiscal year thereafter. Requires 50% to NRCS, 40% to RMA, and 10% to AMS. (7 U.S.C. 1524(a)(2) and 1524(b))

Eliminates the crop insurance education and information program for targeted states carried out by RMA and AMA and reauthorizes the risk management education and assistance carried out through NIFA.

Directs the FCIC insurance fund to transfer \$5 million for FY2018 and each fiscal year thereafter to fund partnerships for risk management education. (§10010)

#### Table 14. Title XI: Miscellaneous

#### **Current Law/Policy**

#### House Passed Bill (H.R. 2)

#### Subtitle A—Livestock

Animal Health Protection Act (AHPA). AHPA contains provisions to prevent, detect, control, and eradicate diseases and pests to protect animal health. (7 U.S.C. 8301 et seq.) The 2014 farm bill (P.L. 113-79) establishes a National Animal Health Laboratory Network to develop and enhance national veterinary diagnostic capabilities, with an emphasis on surveillance planning, vulnerability analysis, and technology development and validation. Authorizes appropriations of \$15 million per year for FY2014-FY2018. (7 U.S.C. 8308a)

Requires USDA to establish the National Animal Disease Preparedness and Response Program to address the risk of the introduction and spread of animal pests and diseases that affect the U.S. livestock and related industries, including export expansion.

Directs USDA to sign cooperative agreements or other legal agreements with state departments of agriculture, offices of the chief animal health state official, land-grant colleges or universities or non-land-grant colleges of agriculture, colleges of veterinary medicine, state or national livestock producer organizations, state emergency agencies, veterinarian organizations recognized by the American Veterinary Medical Association, Indian tribes, federal agencies, or a combination of entities.

To the extent practicable, activities include enhancing animal pest and disease analysis and surveillance; expanding outreach and education; targeting domestic inspection at vulnerable points; strengthening threat identification; improving biosecurity; enhancing emergency response capabilities; conducting technology development (veterinary biologics, diagnostics, animal drugs, and animal medical devices); enhancing electronic sharing of health data and risk analysis; and other activities as determined by USDA.

USDA will notify entities of information required to enter into cooperative agreements, requirements for the use of funds, and criteria to evaluate the activities. USDA may consider entities' ability to contribute nonfederal funds but may not require entities to contribute funds.

Requires recipients to use funds according to cooperative agreements. Recipients may enter sub-agreements with state entities responsible for animal disease prevention, surveillance, and response.

Requires recipients to submit to USDA reports describing the purposes and results of activities no later than 90 days

#### House Passed Bill (H.R. 2)

after completion of activities.

Requires USDA to establish a National Animal Health Vaccine Bank to protect U.S. agriculture and food systems against terrorist attack, major disaster, and other emergencies. Requires the Vaccine Bank to maintain sufficient quantities of animal vaccine, antiviral, therapeutic, or diagnostic products for rapid response to animal disease outbreak that would have a damaging effect on human health or the economy. Directs it to leverage existing mechanisms and infrastructure of the National Veterinary Stockpile of APHIS. Also requires USDA to prioritize the acquisition of sufficient quantities of footand-mouth disease vaccine and consider contracting with one or more entities capable of producing foot-and-mouth disease vaccines and having surge production capacity.

For FY2019, requires mandatory funding of \$250 million from the CCC, of which \$30 million is for the National Animal Health Laboratory Network, \$70 million for the National Animal **Disease Preparedness and Response** Program, and \$150 million for the **National Animal Health Vaccine** Bank. In FY2020-FY2023, \$50 million per year in mandatory CCC funds is available for the three programs, of which not less than \$30 million per year is for the National Animal Disease Preparedness and Response Program. In addition, authorizes appropriations of \$15 million per year for FY2019-FY2023 for the National Animal Health Laboratory Network. Funds made available may be used until expended. (§11101)

Authorizes appropriations of such sums as necessary to administer the program through FY2023. (§11102)

Amends the section to include

(§11103)

National Aquatic Animal Health Plan. Authorizes USDA to enter into cooperative agreements for the purpose of detecting, controlling, or eradicating diseases of aquaculture species and promoting species-specific best management practices on a cost-share basis. The Secretary may use authorities from AHPA (7 U.S.C. 8301 et seq.) to carry out the plan. Authorizes such sums as necessary to be appropriated in each of FY2008-FY2018. (7 U.S.C. 8322)

Veterinary training. Allows USDA to develop a program to maintain a sufficient number of federal and state veterinarians who are trained in the recognition and diagnosis of exotic and endemic animal diseases. (7 U.S.C. 8318)

**Report on Food Safety Inspection** 

"veterinary teams, including those based

at colleges of veterinary medicine" and

inserts and who are capable of providing effective services before, during, and after emergencies at the end of the section.

No comparable provision.

#### House Passed Bill (H.R. 2)

### Service (FSIS) guidance and outreach to small meat processors. Requires the USDA inspector general to

provide the Secretary of Agriculture a report on the effectiveness of existing FSIS guidance materials and tools for small and very small establishments.

The report is to include (1) an evaluation of the outreach conducted by FSIS, (2) an evaluation of guidance materials and tools used by FSIS, (3) an evaluation of FSIS responsiveness to inquiries and issues, and (4) recommendations FSIS should take to improve regulatory clarity and consistency. (§11104)

#### Subtitle B—Beginning, Socially Disadvantaged, and Veteran Producers

Outreach and assistance for socially disadvantaged farmers and ranchers and veteran farmers and ranchers. Provides for an outreach and technical assistance program to assist socially disadvantaged farmers and ranchers and veteran farmers and ranchers in owning and operating farms and ranches and in participating equitably in the full range of agricultural programs offered by USDA. (7 U.S.C. 2279(a)(4))

Office of Advocacy and Outreach. Leads USDA in implementing outreach and assistance to socially disadvantaged farmers and ranchers and veteran farmers and ranchers. Also carries out the functions and duties of the Office of Outreach and Diversity under the Assistant Secretary for Civil Rights, oversees the Office of Small Farms Coordination, and coordinates with NIFA on the administration of the beginning farmer and rancher development program. (7 U.S.C. 6934)

Reauthorizes \$10 million in mandatory spending each year for FY2019-FY2023. Prioritizes grants under the program for agricultural education for youth under the age of 18, for agricultural employment and volunteer opportunities for youth under the age of 18, and for projects that demonstrate experience in providing such education and opportunities to socially disadvantaged youth. Reauthorizes appropriations of \$20 million each for FY2019-FY2023. (§11201)

Renames the Office of Advocacy and Outreach as the Office of Partnerships and Public Engagement. Amends the section to improve access to USDA programs to limited resource producers, veteran farmers and ranchers, and tribal farmers and ranchers. Also adds "promoting youth outreach" as an objective of the newly named office. Reauthorizes appropriations funding of \$2 million each fiscal year for FY2019-FY2023. (§11202)

House Passed Bill (H.R. 2)

No comparable provision.

Commission on farm transition needs for 2050. Establishes a commission to conduct a study on issues affecting the transition of agricultural operations from established farmers and ranchers to the next generation of farmers and ranchers. Outlines the composition and operation of the commission. Not later than one year from enactment, the commission is required to submit to the House Committee on Agriculture and the Senate Committee on Agriculture. Nutrition, and Forestry a report on the study results and recommendations the commission considers appropriate. (§11203)

The **Department of Agriculture Reorganization Act of 1994** authorizes the Secretary to streamline, reorganize, and manage USDA programs and activities. (7 U.S.C. 6901 et seq.)

Agricultural youth organization coordinator. Establishes the position of Agricultural Youth Coordinator to promote the role of youth-serving organizations and school-based agricultural education. Outlines contracts and cooperative agreements the coordinator may engage in with landgrant universities, research centers of the Agricultural Research Service, and nonprofit organizations. (§11204)

#### Subtitle C—Textiles

Pima Agriculture Cotton Trust Fund. Establishes a trust fund in the Treasury of the United States for the purpose of reducing the injury to domestic manufacturers resulting from tariffs on cotton fabric that are higher than tariffs on certain apparel articles made of cotton fabric. The Secretary may make payments to nationally recognized associations that promote pima cotton use, yarn spinners who produce ring spun cotton yarns, and manufacturers that cut and sew cotton shirts in the United States and that certify that they used imported cotton fabric in 2013. Payments to spinners and manufacturers are based on a production ratio and must be certified through affidavit. The Secretary shall transfer \$16 million for each of the calendar years 2014-2018 from the CCC to the trust fund, which are to remain available until expended. (7 U.S.C. 2101 note)

Repeals the Pima Cotton Trust Fund. (§11301)

Agriculture Wool Apparel Manufacturers Trust Fund.

Establishes a trust fund in the Treasury of the United States for the purpose of reducing the injury to domestic manufacturers resulting from tariffs on wool fabric that are higher than tariffs on certain apparel articles made of wool fabric. Annual payments based on one of four funding mechanisms are to be made to eligible domestic manufacturers of wool fabric and processors of wool material. The Secretary shall transfer up to \$30 million in CCC funds for each of the calendar years 2014-2019 to the Agriculture Wool Trust. The funds remain available until expended. (7 U.S.C. 7101 note)

Repeals the Wool Apparel Manufacturers Trust Fund. (§11302)

#### House Passed Bill (H.R. 2)

Wool Research, Development, and Promotion Trust Fund. Establishes a trust fund for the purpose of assisting U.S. wool producers to improve the competitiveness of the American wool market. The trust fund sunsets effective January 1, 2015. Section 12316 of the 2014 farm bill provided \$2.25 million of CCC funds for grants as defined in the trust fund for each of the calendar years 2015-2019. The funds remain available until expended. (7 U.S.C. 7101 note)

Repeals Wool Research and Promotion Grants Funding. (§11303)

No comparable provision.

Establishes the **Textile Trust Fund** for the purpose of reducing injury for domestic manufacturers resulting from tariffs on pima fabric and wool products that are higher than tariffs on certain apparel items made of pima cotton fabric and wool. The Secretary may make payments to nationally recognized associations who promote pima cotton use, yarn spinners who produce ring spun cotton yarns in the United States and certify through affidavit that they used pima cotton during the year in which the affidavit is filed and the previous calendar year, and manufacturers that cut and sew cotton shirts in the United States and that certify through affidavit that they used imported cotton fabric during the previous calendar year.

In addition, the Textile Trust Fund is established for the purpose of reducing economic injury to domestic manufacturers resulting from tariffs on wool fabric that are higher than tariffs on certain apparel articles made of wool fabric. Payments to eligible wool manufacturers and processors must be certified through affidavit.

For each of the calendar years 2019-2023, the Secretary shall transfer \$8 million of CCC funds to the Textile Trust Fund for eligible manufacturers of pima cotton, \$15 million to eligible wool manufacturers, and \$2.25 million in grants for wool research and promotion. Funds are to remain available until expended. (§11304)

Sheep Production and Marketing Grant Program. Establishes a competitive grant program through USDA's Agricultural Marketing Service to improve the sheep industry, including infrastructure, business, resource development, or innovative approaches for long-term needs. Provided \$1.5 million in CCC mandatory funds for FY2014 to remain available until expended. (7 U.S.C. 1627a)

Authorizes \$2 million of CCC funds for FY2019 for the purposes of strengthening and enhancing the production of sheep and sheep products in the United States, with funds remaining available until expended. (§11304)

#### Subtitle D-United States Grains Standards Act

**United States Grain Standards Act (USGSA).** Establishes official marketing standards for grains and oilseeds and sets procedures for grain inspection and weighing services. Authorizes user fees for services. **(7 U.S.C. 71 et seq.)** 

Restores exceptions created in the 2003 regulation (7 C.F.R. 800.117) that were revoked on or after September 30, 2015, upon the reauthorization of the USGSA

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Exceptions to geographic areas for official agencies under the USGSA. Revises USGSA regulations to establish criteria to allow more than one designated official agency to inspect or weigh grain within a single geographic area. Criteria to consider for exceptions are (1) timely service, (2) nonuse of service, and (3) barge probe service. The rule enhances the orderly marketing of grain by providing segments of the grain industry with more cost-effective and responsive official grain inspection and weighing services without undermining the integrity of the official system. (68 Federal Register 19137 (April 18, 2003))

(Title III of P.L. 114-54). Grain handling facilities must request the restoration of exceptions within 180 days of enactment. (§11401)

### Subtitle E-Nonisnsured Crop Disaster Assistance Program

National Crop Assistance Program. Authorized to receive such sums as necessary in mandatory funding to make insurance available to growers of crops that are not insurable under the federal crop insurance program. Provides a payment to an eligible producer whose actual production is less than 50% of the established (historical) yield for the crop. Producers pay a fee of \$250 per crop per county or \$750 per producer per county, not to exceed \$1,875 per producer. (7 U.S.C. 7333)

Amends the definition of eligible crop to include those crops that may be insurable under the crop insurance program but only for whole farm plans or policies that provide coverage for specific intervals based on weather indexes. (§11501)

Increases the service fees to \$350 per crop per county or \$1,050 per producer per county, not to exceed \$2,100 per producer. (§11502)

Reauthorizes buy-up coverage through FY2023 and amends the premium for additional coverage to be proportional to a producer's share of the crop. (§11503)

#### Subtitle F—Other Matters

In May 2017, USDA announced an agency reorganization that created an Under Secretary for Trade and Foreign Agricultural Affairs, an Under Secretary for Farm Production and Conservation, and an Assistant to the Secretary for Rural Development. The duties of the new Under Secretaries were previously assigned to the Under Secretary of Farm and Foreign Agricultural Affairs and the Under Secretary for Natural Resources and Environment. The duties of the Assistant to the Secretary were formerly assigned to the Under Secretary for Rural Development (7 U.S.C. 6901 et seq.) and the Reorganization Plan No. 2 of 1953 (7 U.S.C. 2201 note)

References to the former Under Secretary of Agriculture for Farm and Foreign Agricultural Services in various laws are changed to either the Under Secretary of Agriculture for Production and Conservation or the Under Secretary for Trade and Foreign Agricultural Affairs.

References to the Under Secretary for Rural Development in various laws are amended by inserting or other official designated by the Secretary. (§11601)

Food for Peace Act. (7 U.S.C. 1725(b))

Removes Under Secretary of Agriculture for Farm and Foreign Agricultural Services and inserts Under Secretary for Trade and Foreign Agricultural Affairs in the Food Aid Consultative Group.

Department of Agriculture Reorganization Act of 1994. (7 U.S.C. 6933(d)(1))

Removes Under Secretary of Agriculture for Farm and Foreign Agricultural Services and inserts Under Secretary of Agriculture for Production and Conservation in the Office of Risk Management.

Department of Agriculture Reorganization Act of 1994. (7 U.S.C. 6952(b)(3))

Removes Under Secretary of Agriculture for Farm and Foreign Agricultural Services and inserts Under Secretary for Trade and Foreign Agricultural Affairs in the Multiagency Task Force.

#### **Current Law/Policy** House Passed Bill (H.R. 2) Higher Education Act of 1965. (20 U.S.C. 1131c(c)(1)(A)) Removes Under Secretary of Agriculture for Farm and Foreign Agricultural Services and inserts Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs in the Interagency Committee on Minority Careers in International Affairs. Agricultural Act of 1961 and Consolidated Farm and Rural Development In the definitions, inserts or other official Act. (7 U.S.C. 1991(a)(13)(D)) designated by the Secretary of Agriculture after Under Secretary for Rural Development where it appears and inserts or designated official after Under Secretary where it appears. Agricultural Marketing Act of 1946. (7 U.S.C. 1627b(f)(3)(B)(i)) Inserts or other official designated by the Secretary after Under Secretary of Agriculture for Rural Development in the National Sheep Industry Improvement Center. Native American Business Development, Trade Promotion, and Tourism Inserts or other official designated by the Act of 2000. (25 U.S.C. 4305(a)(2)(A)) Secretary of Agriculture after Under Secretary of Agriculture for Rural Development in the Intertribal Tourism Demonstration Projects. Rehabilitation Act of 1973. (29 U.S.C. 721(a)(11)(C)) Inserts or other official designated by the Secretary of Agriculture after Under Secretary for Rural Development of the Department of Agriculture in the State Plans for Vocational Rehabilitation Services Department of Agriculture Reorganization Act of 1994. Ends Amends the code to insert section 772 of the Secretary of Agriculture's authority to reorganize USDA two years the Agriculture, Rural Development, Food after the enactment of the act and lists functions that are not affected by and Drug Administration, and Related Agencies Appropriations Act, 2018, or the the two-year termination date. (7 U.S.C. 7014(b)(8)) Agriculture and Nutrition Act of 2018. (§11602) Section 772 establishes the position of Under Secretary of Farm Production and Conservation, which replaces the Under Secretary of Agriculture for Farm and Foreign Agricultural Services. Section 772 also amends 5 U.S.C. 5314, which lists Level III positions of the Executive Schedule, by striking Under Secretary for Farm and Foreign Agricultural Services and inserting Under Secretary of Farm Production and Conservation and Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs. **USDA** conference transparency. Requires USDA to provide annual Amends the subsection by raising the reports to the House Committee on Agriculture and the Senate exclusion to \$75,000. (§11603) Committee on Agriculture, Nutrition, and Forestry on conferences sponsored or held by USDA or attended by USDA employees. Conferences that cost the federal government less than \$10,000 are excluded from reporting requirements. (7 U.S.C. 2255b(a)(3)(A))

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No comparable provision.

Commodity Promotion, Research, and Information Act of 1996. Authorizes the establishment of commodity promotion and research programs (i.e., checkoff programs). (7 U.S.C. 7401 et seq.)

**Peanuts Standards Board.** Establishes a board consisting of producers and industry representatives from peanut-producing states. Board members are appointed from three regions: Southeast (Alabama, Georgia, and Florida); Southwest (Texas, Oklahoma, and New Mexico); and Virginia/Carolina (Virginia and North Carolina). Members of the board are to advise the Secretary on quality and handling standards for domestic and import peanuts. **(7 U.S.C. 7958(c))** 

**USDA** reorganization. Provides the Secretary with the authority to streamline, reorganize, and manage USDA programs and activities. (7 **U.S.C.** 6901 et seq.)

**Cotton classification services.** Authorizes USDA to make cotton classification and classification fee collection services available to cotton producers. (7 U.S.C. 473a)

National Agriculture Imagery Program. Requires USDA, through the Farm Service Agency, to carry out a national agriculture imagery program to annually acquire aerial imagery during the agricultural growing season.

Requires the data to (1) include high resolution processed digital imagery; (2) be 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 of the Federal Geographic Data Committee. Authorizes an appropriation of \$23 million for FY2019 and each fiscal year thereafter. (§11604)

Report on inclusion of natural stone products in Commodity Promotion, Research, and Information Act of 1996. Requires that not later than 180 days after enactment. USDA is required to submit a report to the House Committee on Agriculture that examines the effects of establishing a promotion and research program for natural stone. The report is to cover the effects a program would have on (I) research and promotion of natural stone, (2) development and expansion of domestic markets, (3) economic activity of the natural stone industry subject to a promotion board, (4) economic development in rural areas, and (5) benefits to U.S. consumers of natural stone. (§11605)

South Carolina inclusion in Virginia/Carolina peanut-producing region. Amends the designated Virginia/Carolina region by adding South Carolina as a state represented on the Peanut Standards Board. (§11606)

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. (§11607)

Amends the cotton classification section by allowing employees who are hired to classify cotton to work up to 240 days in a service year and be rehired non-

Current Law/Policy	House Passed Bill (H.R. 2)
	competitively every year for the same position, or a successor position, if they meet performance standards. (§11608)
No comparable provision.	Century Farms Program. Establishes a program under which the Secretary of Agriculture recognizes any farm or ranch as defined in Cooperative Services Grant Programs, that has been in continuous operation for at least 100 years, and has been owned by the same family for at least 100 consecutive years, as verified through appropriate documentation. (§11609)
No comparable provision.	Report on agricultural innovation. Requires USDA, in consultation with EPA and FDA, to prepare and submit a report to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry on plans for improving federal government policies and procedures with respect to gene editing and other precision plant breeding methods. (§11610)
No comparable provision.	Report on dog importation. USDA, i consultation with the Secretaries of Commerce, Health and Human Services, and Homeland Security, is to submit a report to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry on the importation of dogs. The report i to include (I) an estimate of the number of dogs imported annually, (2) the number of dogs imported for resale, (3) the number imported for resale but denied importation due to failure of Animal Welfare Act (7 U.S.C. 2148) requirements, and (4) Secretary recommendations of federal statutory changes needed for importation for resale. (§11611)
No comparable provision.	Prohibition on slaughter of dogs and cats for human consumption.  Amends the Animal Welfare Act (7 U.S.C. 2131 et seq.) to prohibit knowingly slaughtering dogs or cats for human consumption. Also prohibits the transporting, possessing, buying, selling, or donation of a dog or cat for such purposes and imposes penalties for violations. The provision does not limit any state or local law to protect animal

No comparable provision.

Prohibition against interference by

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state and local governments with production of agricultural products from other states. Prohibits any state or local government from setting standards or conditions on the production or manufacture of agricultural products from other states if the products are produced or manufactured according to federal law or the laws of the state or locality. (§11701)

Federal cause of action to challenge state regulation of interstate commerce. Empowers producers, consumers, trade organizations, governments, and others affected by a state standard or condition for products sold in interstate commerce to bring action in the appropriate court to invalidate the state standard or condition and to seek damages for economic losses, subject to a 10-year statute of limitations. Requires courts to issue a preliminary injunction on the state standard or condition unless the state provides convincing evidence it would prevail in the case or the injunction would cause irreparable harm. (§11702)

# Appendix.

Table A-I. Summary of House-Adopted Amendments to H.R. 2

Amendments Adopted as of May 18, 2018

Title/Amendment	Summary Description
Title I, Commodities	
H.Amdt. 606	Exempts APHIS as one of the agencies (along with Natural Resources Conservation Service and the Farm Service Agency) to which exempted producers would not be required to make annual reports on their agricultural enterprises. Exempted producers are producers or landowners eligible to participate in any conservation or commodity program administered by the Secretary.
H.Amdt. 608	Amends the Title I ARC and PLC programs under current law by streamlining their sign-up process. USDA is directed to change the regulatory requirements from an annual sign up to a `one and done' process through crop year 2023 for ARC and PLC only.
Title II, Conservation	
H.Amdt. 586	Amends a new provision under EQIP allowing USDA to contract with irrigation districts, irrigation associations, and acequias to also include drainage districts. Expands payments for water conservation activities under EQIP to also include the use of existing drainage systems or to upgrade drainage systems to provide irrigation or water efficiency.
H.Amdt. 587	Adds a sense of Congress statement encouraging partnerships at the watershed level between nonpoint sources and regulated point sources to advance the goals of the Federal Water Pollution Control Act (Clean Water Act).
H.Amdt. 610	Amends the Soil and Water Resources Conservation Act of 1977 (P.L. 95-192) to require USDA to conduct two comprehensive appraisals of soil, water, and related natural resources (completed by year-end 2022). Adds a new requirement for assessing and monitoring USDA programs and initiatives and their progress in reaching natural resource and environmental objectives. Requires a report in the third fiscal year after enactment and periodically thereafter. Authorizes appropriations equal to 1% of all mandatory conservation program funding (excluding CRP).
Title III, Trade	
H.Amdt. 612	Amends the Farmer-to-Farmer (F2F) program (7 U.S.C. 1737) to add specificity to the types of technical assistance provided by American volunteers under this program. Also establishes both a geographically defined crop yield metrics system for evaluating the degree of F2F program success and a grant program to facilitate new partnerships and innovative activities under the F2F program.
Title IV, Nutrition	
H.Amdt. 588	Amends the current law definition of <i>food</i> to allow the purchase of multivitamin-mineral dietary supplements (as defined by the amendment) with SNAP benefits.

#### Title/Amendment

#### **Summary Description**

H.Amdt. 606 (Nutrition)

Amends Nutrition title of reported H.R. 2 provisions as follows:

- Amends changes to categorical eligibility (§4006 in reported bill) to make them effective October 1, 2020.
- Expands exceptions to standard utility allowances changes (§4010 in reported bill), holding harmless households with elderly or disabled members.
- Amends changes to work-related rules (§4015 in reported bill):
  - Volunteer work only meets work requirements if no more than 6 months in a 12-month period.
  - Amends definition of work program to include a program of employment and training for veterans operated by the Department of Labor or Department of Veterans Affairs and approved by the Secretary.
  - Amends FY2019-FY2020 transition period to require proposal's unemployment-based waiver policies to apply during transition period.
  - Makes one of the grounds for unemployment-based waivers more permissive, by, among other criteria, requiring areas applying for waivers to have 24-month average unemployment rates below 7%, increased from 6% in the reported bill.
  - Amends states' limits on individual exemptions to create different rules based on year. For FY2021-FY2025, 15% of covered individuals, as defined by bill, in FY2019. For FY2026 and thereafter, 12% of covered individuals in FY2019.
  - Restores a state's authority to offer workfare. Amends workfare to exempt those under 18 years of age, instead of 16 years of age. Eliminates state option to exempt an individual complying with TANF work requirements from workfare requirements.
  - Amends student ineligibility rules to make eligible those responsible for the care of an incapacitated person, also expands certain parent eligibility rules to apply to other household members responsible for children.
  - Strikes authority to reallocate Employment & Training funds, instead requiring states' unspent allocated funding to be returned to the Treasury.
  - Allows a state to request earned income data from the Internal Revenue Service for purposes of ensuring equitable treatment among all households (including those containing a married couple).
- Amends mobile technologies provision (§ 4017 in reported bill) to: require nonexempt retail food stores to bear the costs of equipment and supplies for the redemption of benefits, including fees; requires that states make the demonstration projects voluntary for all retail food stores and allow recipients to redeem benefits at non-participating retail food stores.
- Amends the nutrition education provision (§4033 in reported bill) to: allow some specified nutrition education administrative costs to be eligible for federal matching funds authorized by Section 16(a) of the Food and Nutrition Act; make nutrition education funds available for obligation for two fiscal years.

Adds to the Nutrition title two sections that were not in H.R. 2 as reported:

- Requires a minimum certification period of not less than one year for the Commodity Supplemental Food Program (CSFP) and allows the Secretary to approve state request for longer certification periods if certain requirements are
- Requires the Secretary to review the 2012 and 2016 regulations which updated
  the school meal nutrition standards and created nutrition standards for foods
  served outside of the meal program, including any requirements for milk. Revised
  final regulations are to be based on research focused on school-age children, not
  add costs to the operation of the program, and maintain healthy meals for
  students.

Title/Amendment	Summary Description
H.Amdt. 613	Adds language seeking to ensure that if an individual becomes ineligible to participate in SNAP as a household member due to failure to meet the work requirements, the remaining household members (including children), shall not become ineligible to apply to participate in the supplemental nutrition assistance program due to such individual's ineligibility.
H.Amdt. 614	Amends SNAP law to disqualify individuals convicted of specified federal crimes (including murder, rape, and certain crimes against children) and state offenses determined by the Attorney General to be substantially similar from receiving SNAP, regardless of whether they are fleeing felons or compliant with the terms of their sentence.
H.Amdt. 615	Requires the Secretary of Agriculture to conduct a feasibility study on developing a Thrifty Food Plan to calculate the funding for the Nutritional Assistance Program for Puerto Rico.
H.Amdt. 616	Amends SNAP law to provide states the authority to contract out certification or any other SNAP administrative function. Contractor must have no direct or indirect financial interest in an approved retail food store.
H.Amdt. 617	Amends a 2014 farm bill provision on service of Indian and Alaska Native traditional foods in public facilities, expanding the list of specified public programs and facilities included and protected from liability.
H.Amdt. 618	Amends a provision of the 2008 farm bill to require the Secretary to again carry out a study of the feasibility and effects of including Puerto Rico in SNAP as opposed to the Nutrition Assistance for Puerto Rico block grant. Provides \$1 million in mandatory funding and an authorization for additional discretionary funding.
Title VI, Rural Infrastru	cture and Economic Development
H.Amdt. 590	Amends the Consolidated Farm and Rural Development Act to permit funding for the Community Facilities program to include refinancing a debt obligation of a rural hospital as an eligible loan or loan guarantee if the assistance would help preserve access to health service in a rural community and improve the financial position of the hospital.
H.Amdt. 591	Amends the Consolidated Farm and Rural Development Act and the Rural Electrification Act of 1936 to exclude the first 1,500 individuals residing in housing located on a military base from being included in determining whether an area is "rural" or a "rural area." Also amends the Rural Electrification Act of 1936 for purposes of the Distance Learning and Telemedicine program to define <i>rural area</i> as any area other than a city or town that has a population of greater than 50,000 inhabitants, any urbanized area contiguous and adjacent to a city or town of 50,000 inhabitants, or any city or town with a population greater than 20,000.
H.Amdt. 592	Adds a new section to the Rural Development Title to establish a task force under the Federal Communications Commission (FCC) to review the connectivity and technological needs of precision agriculture. The task force will consult with the Secretary and collaborate with public and private stakeholders to develop policy recommendations, recommend new rules or amendments to the FCC to achieve the goals of the task force, and recommend specific steps that the FCC should consider to ensure that available farm data are reflected in existing or future programs of the FCC supporting broadband deployment, and to direct available funding to unserved agricultural lands where needed. Directs the Secretary to submit to the task force a list of all federal programs available for the expansion of broadband access on unserved agricultural land. Defines composition of the task force and directs it to submit a report to the chairman of the FCC detailing steps being taken to measure the availability of broadband access service on agricultural land.

Title/Amendment	Summary Description
Title VII, Research	
H.Amdt. 593	Amends the Food, Agriculture, Conservation and Trade Act of 1990 to add chronic wasting disease as an eligible activity for research and extension grants under the High-Priority Research and Development Initiative.
H.Amdt. 621	Amends the National Agricultural Research, Extension, and Teaching Policy Act to deem any "recently designated" 1890 institutions as having been designated an "eligible institution" on or after September 1978. A "recently designated" 1890 institution is one designated as an 1890 institution after September 1999. An "eligible institution" is eligible to receive research and extension formula funding.
Title VIII, Forestry	
H.Amdt. 594	Establishes that receipts from Stewardship Contracting projects shall be considered monies received from the NFS, making those receipts subject to revenue-sharing laws.
H.Amdt. 595	Replaces Section 8331 and expands the availability of Good Neighbor Agreements to include federally recognized Indian tribes and county governments.
H.Amdt. 596	Requires the Secretary of Agriculture or the Secretary of the Interior to complete the environmental assessment for a salvage operation or reforestation activity within 60 days after the conclusion of a catastrophic event with specified time frames for public scoping, comments, and objections. Prohibits federal courts from issuing restraining orders or injunctions for any salvage operation or reforestation activity in response to a large-scale catastrophic event.
H.Amdt. 597	Requires the Secretary of Agriculture or the Secretary of the Interior to consider only the proposed action and no-action alternative while preparing an environmental assessment pursuant to NEPA for a forest management activity within areas designated as insect and disease treatment areas under HFRA (16 U.S.C. 6591a).
H.Amdt. 598	Exempts all National Forest System land in Alaska from the Forest Service Roadless Area Conservation Rule as published in 66 Federal Register 9, January 12, 2001.
H.Amdt. 599	Authorizes the Secretary to convey 1,520 acres of NFS land to the village of Santa Clara, NM.
H.Amdt. 600	Directs the Secretary of Agriculture to promulgate regulations revising the process to issue special use authorizations for communications sites or rights-of-ways on NFS lands.
H.Amdt. 601	Directs the Secretary of Agriculture and Secretary of the Interior to submit annual reports to Congress on specified wildfire and forest management metrics.
H.Amdt. 602	Reauthorizes the Collaborative Forest Landscape Restoration Program (16 U.S.C. 7303) through FY2023 and authorizes the Secretary to extend projects beyond 10 years.
H.Amdt. 603	Authorizes the Secretary to convey 3.61 acres of NFS land to Dolores County, CO, for specified purposes, subject to a reversionary clause.
H.Amdt. 622	Adds invasive vegetation to the definition of a forest that is experiencing declining forest health for purposes of designating insect and disease treatment areas within the NFS under HFRA (16 U.S.C. 6591a).
H.Amdt. 623	Directs the Secretary to make vacant grazing allotments available to holders of existing grazing permits under certain conditions.
H.Amdt. 624	Creates a pilot research program on the Lincoln, Cibola, and Gila National Forests to study the effectiveness of silvicultural management technique to address natural resource concerns. Projects in the pilot program are subject to the refusal of the county government in which the project is located. Establishes an arbitration program as an alternative dispute resolution process for challenges to projects in the pilot program.

Title/Amendment	Summary Description
H.Amdt. 625	Creates a new competitive forestry research program.
Title XI, Horticulture	
H.Amdt. 626	Amends the Plant Protection Act (7 U.S.C 770 et seq.) to apply import restrictions to prevent the arrival of forest pests. Directs the Forest Service and Animal Plant Health Inspection Service to cooperate in responding to forest plant pests. Instructs the Secretary to produce a report on "Interception of Forest Pests" to Congress by March I, 2021. Directs the use of available funds for all activities necessary for pest eradication, including pest identification, development of pest-specific management plan, and implementation of that plan.
Title XI, Miscellaneous	
H.Amdt. 604	Requires USDA to establish not more than three regional Cattle and Carcass Grading Correlation and Training Centers to provide education and training for cattle and 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. The centers are to be located near cattle feeding or slaughtering areas and are to coordinate the existing resources of USDA, state agricultural extension and research centers, relevant contract markets, and producers. Funding for the centers may not be used for new construction or remodeling of facilities but may be used for rental space. The centers may accept in-kind donations to cover such spaces.
H.Amdt. 629	Amends Section 309 of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6921) to require the Secretary of Agriculture to (1) establish an Office of Tribal Relations within the Office of Partnerships and Public Engagement to advise the Secretary on policies related to Indian tribes and (2) establish the "New Beginnings Initiative," under which the Secretary shall provide funds to a land-grant college or university in the amount equal to the amount such land-grant college or university expends for providing educational programs and services for, or tuition paid with respect to, Indians at a land-grant college or university.
H.Amdt. 630	Amends Section 26 of the Animal Welfare Act (7 U.S.C. 2156) to extend to the territories the existing prohibition on animal fighting to which the 50 states are currently subject. Makes it unlawful to sell, buy, or transport in interstate or foreign commerce any knife or sharp object to be used on the leg of a bird as a weapon in animal fighting.
H.Amdt. 632	Allows the Secretary of the Interior, in conjunction with the director of the U.S. Fish and Wildlife Service, to authorize the issuance of depredation permits to livestock farmers for black vultures, otherwise prohibited by federal law, to prevent black vultures from taking livestock during the calving season. Allows permits to be issued only in states or regions where producers are affected by black vultures. Requires producers to report takings to the proper enforcement agencies.

**Source:** Congress.gov.

**Notes:** The amendments to H.R. 2 in this table do not have assigned section numbers within the bill. As such, the listing of these amendments by title is an effort to categorize them based on CRS's understanding of their substantive content. It is not meant to indicate to which title they may ultimately be assigned.

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