

1 **TITLE II—CONSERVATION**

TITLE II—CONSERVATION

Subtitle A—Definitions

Sec. 2001. Definitions.

Subtitle B—Highly Erodible Land Conservation

CHAPTER 1—HIGHLY ERODIBLE LAND CONSERVATION

Sec. 2101. Program ineligibility.

Sec. 2102. Exemptions and temporary variances.

Sec. 2103. Notice and investigation of possible compliance deficiencies.

CHAPTER 2—GRASSLAND CONSERVATION

Sec. 2121. Grassland conservation.

Subtitle C—Wetland Conservation

Sec. 2201. Wetland conservation.

Subtitle D—Agricultural Resources Conservation Program

CHAPTER 1—COMPREHENSIVE CONSERVATION ENHANCEMENT

SUBCHAPTER A—COMPREHENSIVE CONSERVATION ENHANCEMENT PROGRAM

Sec. 2301. Contract and easement modifications and terminations.

Sec. 2302. Compliance and performance.

SUBCHAPTER B—CONSERVATION RESERVE

Sec. 2311. Conservation reserve program.

SUBCHAPTER C—WETLAND RESERVE PROGRAM

Sec. 2321. Wetland reserve program.

CHAPTER 2—CONSERVATION SECURITY AND FARMLAND PROTECTION

SUBCHAPTER A—CONSERVATION SECURITY

Sec. 2331. Conservation security program.

SUBCHAPTER B—FARMLAND AND RANCH LAND PROTECTION

Sec. 2341. Farmland protection program and ranch land protection program.

CHAPTER 3—ENVIRONMENTAL EASEMENT PROGRAM

Sec. 2351. Environmental easement program.

CHAPTER 4—ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

Sec. 2361. Period of effectiveness.

CHAPTER 5—ENVIRONMENTAL QUALITY AND STEWARDSHIP

Sec. 2371. Environmental quality and stewardship.

CHAPTER 6—OTHER CONSERVATION PROGRAMS

Sec. 2381. Conservation of private grazing land.

Sec. 2382. Reauthorization of wildlife habitat incentive program.

Sec. 2383. Grassroots source water protection program.

Sec. 2384. Great Lakes basin program for soil erosion and sediment control.

Sec. 2385. Farm viability program.

Sec. 2386. Discovery watershed demonstration program.

Sec. 2387. Emergency landscape restoration program.

Subtitle E—Funding and Administration

Sec. 2401. Funding and administration.

Sec. 2402. Regional equity.

Sec. 2403. Conservation access.

Sec. 2404. Delivery of technical assistance.

Sec. 2405. Administrative requirements for conservation programs.

Sec. 2406. Conservation programs in environmental services markets.

Subtitle F—State Technical Committees

Sec. 2501. State technical committees.

Subtitle G—Other Authorities

Sec. 2601. Agricultural management assistance.

Sec. 2602. Agriculture conservation experienced services program.

Sec. 2603. Small watershed rehabilitation program.

Sec. 2604. Resource Conservation and Development Program.

Sec. 2605. National Natural Resources Conservation Foundation.

Sec. 2606. Desert terminal lakes.

1 **Subtitle A—Definitions**

2 **SEC. 2001. DEFINITIONS.**

3 Section 1201(a) of the Food Security Act of 1985

4 (16 U.S.C. 3801(a)) is amended—

5 (1) by redesignating paragraphs (2) through

6 (15), paragraph (16), and paragraphs (17) and (18)

7 as paragraphs (3) through (16), paragraph (18),

8 and paragraphs (20) and (21), respectively;

1 (2) by inserting after paragraph (1) the fol-
2 lowing:

3 “(2) BEGINNING FARMER OR RANCHER.—The
4 term ‘beginning farmer or rancher’ has, to the max-
5 imum extent practicable, the meaning given the term
6 in section 343(a) of the Consolidated Farm and
7 Rural Development Act (7 U.S.C. 1991(a)), except
8 that the Secretary may include in the definition of
9 the term—

10 “(A) a fair and reasonable test of net
11 worth; and

12 “(B) such other criteria as the Secretary
13 determines to be appropriate.”;

14 (3) in paragraph (10)(A)(ii) (as redesignated by
15 paragraph (1))—

16 (A) by striking “excessive”; and

17 (B) by striking “in relation to” and insert-
18 ing “exceeding”;

19 (4) by inserting after paragraph (16) (as redesi-
20 gnated by paragraph (1)) the following:

21 “(17) SOCIALLY DISADVANTAGED FARMER OR
22 RANCHER.—The term ‘socially disadvantaged farmer
23 or rancher’ has the meaning given the term in sec-
24 tion 355(e) of the Consolidated Farm and Rural De-
25 velopment Act (7 U.S.C. 2003(e)).”; and

1 (5) by inserting after paragraph (18) (as reded-
2 icated by paragraph (1)) the following:

3 “(19) STATE CONSERVATIONIST.—The term
4 ‘State Conservationist’ means the State Conserva-
5 tionist with respect to a program administered by
6 the Natural Resources Conservation Service.”.

7 **Subtitle B—Highly Erodible Land**
8 **Conservation**

9 **CHAPTER 1—HIGHLY ERODIBLE LAND**

10 **CONSERVATION**

11 **SEC. 2101. PROGRAM INELIGIBILITY.**

12 Section 1211(a) of the Food Security Act of 1985
13 (16 U.S.C. 3811(a)) is amended—

14 (1) in paragraph (1)—

15 (A) in subparagraph (A), by striking “con-
16 tract payments” and all that follows through
17 “Transition Act,” and inserting “any type of
18 price support, payment, or loan under title I of
19 the Farm Security and Rural Investment Act of
20 2002 (7 U.S.C. 7901 et seq.)”;

21 (B) in subparagraph (C), by striking “or”
22 after the semicolon;

23 (C) in subparagraph (D), by inserting “or”
24 after the semicolon; and

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

1 “(E)(i) a crop or revenue insurance pay-
2 ment, or risk management payment, made
3 under the Federal Crop Insurance Act (7
4 U.S.C. 1501 et seq.); or

5 “(ii) a payment made under the non-
6 insured crop disaster assistance program estab-
7 lished by section 196 of the Federal Agriculture
8 Improvement and Reform Act of 1996 (7
9 U.S.C. 7333);” and
10 (2) in paragraph (3)—

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

13 “(A) a payment made under subtitle D;”;
14 and

15 (B) by redesignating subparagraphs (C)
16 and (D) as subparagraphs (B) and (C), respec-
17 tively.

18 **SEC. 2102. EXEMPTIONS AND TEMPORARY VARIANCES.**

19 Section 1212 of the Food Security Act of 1985 (16
20 U.S.C. 3812) is amended to read as follows:

21 **“SEC. 1212. EXEMPTIONS AND TEMPORARY VARIANCES.**

22 “(a) EXEMPTIONS FROM PROGRAM INELIGI-
23 BILITY.—

24 “(1) 1981 THROUGH 1985 CROPS.—During the
25 period beginning on December 23, 1985, and ending

1 on the later of January 1, 1990, or the date that is
2 2 years after the date land on which a crop of an
3 agricultural commodity is produced was mapped by
4 the Soil Conservation Service for purposes of
5 classifying the land under the land capability classi-
6 fication system in effect on December 23, 1985, ex-
7 cept as provided in paragraph (2), no person shall
8 become ineligible under section 1211 for program
9 loans, payments, and benefits as the result of the
10 production of a crop of an agricultural commodity
11 on any land that was—

12 “(A) cultivated to produce any of the 1981
13 through 1985 crops of an agricultural com-
14 modity; or

15 “(B) set aside, diverted or otherwise not
16 cultivated under a program administered by the
17 Secretary for any such crops to reduce produc-
18 tion of an agricultural commodity.

19 “(2) CONSERVATION PLANS.—

20 “(A) IN GENERAL.—If, as of January 1,
21 1990, or 2 years after the Soil Conservation
22 Service has completed a soil survey for the
23 farm, whichever is later, a person is actively ap-
24 plying a conservation plan, the person shall
25 have until January 1, 1995, to comply with the

1 plan without being subject to program ineligi-
2 bility.

3 “(B) DOCUMENTATION.—In carrying out
4 this subsection, the Secretary, Soil Conservation
5 Service, and local soil conservation districts
6 shall minimize the quantity of documentation a
7 person must submit to comply with this para-
8 graph.

9 “(3) CONSERVATION RESERVE.—

10 “(A) IN GENERAL.—Any person who owns
11 or operates highly erodible land that was the
12 subject of a contract entered into under sub-
13 chapter B of chapter 1 of subtitle D shall only
14 be required to apply a conservation plan estab-
15 lished under this subtitle.

16 “(B) CONSERVATION STANDARD.—The
17 person shall not be required to meet a higher
18 conservation standard than the standard ap-
19 plied to other highly erodible cropland located
20 within the same area.

21 “(C) STRUCTURES.—If the conservation
22 plan of the person requires structures to be
23 constructed, the person shall have until 2 years
24 after the expiration of the contract to comply
25 with the conservation plan, or a longer period

1 of time if the Secretary determines compliance
2 is otherwise technically or economically not fea-
3 sible, or such longer period is otherwise appro-
4 priate, before the person will be subject to pro-
5 gram ineligibility with respect to the land under
6 section 1211.

7 “(4) EXPIRATION OF CONSERVATION RESERVE
8 CONTRACTS.—On the expiration of a contract en-
9 tered into under subpart B of chapter 1 of subtitle
10 D, this subchapter shall apply to the acreage that
11 was the subject of the contract.

12 “(5) CROPS PLANTED BEFORE DECEMBER 23,
13 1985.—No person shall become ineligible under sec-
14 tion 1211 for program loans, payments, and benefits
15 as the result of the production of a crop of an agri-
16 cultural commodity—

17 “(A) planted before December 23, 1985; or

18 “(B) planted during any crop year begin-
19 ning before December 23, 1985.

20 “(6) SET ASIDES.—No person shall become in-
21 eligible under section 1211 for program loans, pay-
22 ments, and benefits as the result of the production
23 of a crop of an agricultural commodity or the des-
24 ignation of land to be set aside, diverted, devoted to
25 conservation uses, or otherwise not cultivated under

1 a program administered by the Secretary to reduce
2 production of an agricultural commodity (referred to
3 in this paragraph as ‘set aside’)—

4 “(A) on highly erodible land in an area—

5 “(i) within a conservation district,
6 under a conservation system that has been
7 approved by a conservation district after
8 the district has determined that the con-
9 servation system is in conformity with
10 technical standards set forth in the Soil
11 Conservation Service technical guide for
12 the district; or

13 “(ii) not within a conservation dis-
14 trict, under a conservation system deter-
15 mined by the Secretary to be adequate for
16 the protection of highly erodible land that
17 has been set aside or for the production of
18 the agricultural commodity on any highly
19 erodible land subject to this title; or

20 “(B) on highly erodible land that is plant-
21 ed or set aside in reliance on a determination
22 by the Soil Conservation Service that the land
23 was not highly erodible land, except that this
24 subparagraph shall not apply to any agricul-
25 tural commodity that was planted or set aside

1 on any land after the Soil Conservation Service
2 determines that the land is highly erodible land;
3 or

4 “(C) on highly erodible land planted to al-
5 falfa during each of the 1981 through 1985
6 crop years as part of a rotation practice ap-
7 proved by the Secretary, if the person has sub-
8 mitted a conservation plan, in which case, the
9 person shall have until June 1, 1988, to comply
10 with the plan without being subject to program
11 ineligibility under section 1211.

12 “(7) LOANS MADE BEFORE DECEMBER 23,
13 1985.—Section 1211 shall not apply to a loan de-
14 scribed in section 1211 made before December 23,
15 1985.

16 “(8) TENANTS.—If a tenant is determined to
17 be ineligible for payments and other benefits under
18 section 1211, the Secretary may limit the ineli-
19 gibility only to the farm that is the basis for the ineli-
20 gibility determination if—

21 “(A) the tenant has established to the sat-
22 isfaction of the Secretary that—

23 “(i) the tenant has made a good faith
24 effort to meet the requirements of this sec-
25 tion, including enlisting the assistance of

1 the Secretary to obtain a reasonable con-
2 servation plan for the farm; and

3 “(ii) the landlord on the farm refuses
4 to comply with the plan on the farm; and

5 “(B) the Secretary determines that the
6 lack of compliance is not a part of a scheme or
7 device to avoid the compliance.

8 “(9) ANNUAL REPORTS.—The Secretary shall
9 submit to the Committee on Agriculture of the
10 House of Representatives and the Committee on Ag-
11 riculture, Nutrition, and Forestry of the Senate an
12 annual report concerning the ineligibility determina-
13 tions made during the previous 12-month period
14 under this subsection.

15 “(b) GRADUATED PENALTIES.—

16 “(1) IN GENERAL.—No person shall become in-
17 eligible under section 1211 for program loans, pay-
18 ments, and benefits as a result of the failure of the
19 person to actively apply a conservation plan, if the
20 Secretary determines that the person has acted in
21 good faith and without an intent to violate this sub-
22 chapter.

23 “(2) PERIOD FOR IMPLEMENTATION.—A person
24 who meets the requirements of paragraph (1) shall
25 be allowed a reasonable period of time, as deter-

1 mined by the Secretary, but not to exceed 1 year,
2 during which to implement the measures and prac-
3 tices necessary to be considered to be actively apply-
4 ing the conservation plan of the person.

5 “(3) PENALTIES.—

6 “(A) APPLICATION.—This paragraph ap-
7 plies if the Secretary determines that—

8 “(i) a person who has failed to comply
9 with section 1211 with respect to highly
10 erodible cropland that was not in produc-
11 tion prior to December 23, 1985, has acted
12 in good faith and without an intent to vio-
13 late section 1211; or

14 “(ii) the violation—

15 “(I) is technical and minor in na-
16 ture; and

17 “(II) has a minimal effect on the
18 erosion control purposes of the con-
19 servation plan applicable to the land
20 on which the violation has occurred.

21 “(B) REDUCTION.—If this paragraph ap-
22 plies under subparagraph (A), the Secretary
23 shall, in lieu of applying the ineligibility provi-
24 sions of section 1211, reduce program benefits
25 described in section 1211 that the producer

1 would otherwise be eligible to receive in a crop
2 year by an amount commensurate with the seri-
3 ousness of the violation, as determined by the
4 Secretary.

5 “(4) SUBSEQUENT CROP YEARS.—Any person
6 whose benefits are reduced for any crop year under
7 this subsection shall continue to be eligible for all of
8 the benefits described in section 1211 for any subse-
9 quent crop year if, prior to the beginning of the sub-
10 sequent crop year, the Secretary determines that the
11 person is actively applying a conservation plan ac-
12 cording to the schedule specified in the plan.

13 “(c) TEMPORARY VARIANCES.—

14 “(1) IN GENERAL.—Notwithstanding any other
15 provision of this subchapter, no person shall become
16 ineligible under section 1211 for program loans, pay-
17 ments, and benefits as a result of the failure of the
18 person to actively apply a conservation plan, if the
19 Secretary—

20 “(A) determines that the failure is due to
21 circumstances beyond the control of the person;
22 and

23 “(B) grants the person a temporary vari-
24 ance from the practices required under the plan

1 for the purpose of handling a specific problem
2 (including weather, pest, and disease problems).

3 “(2) EXPEDITED PROCEDURES FOR TEM-
4 PORARY VARIANCES.—

5 “(A) IN GENERAL.—After consultation
6 with local conservation districts and State Con-
7 servationists, the Secretary shall establish expe-
8 dited procedures for the consideration and
9 granting of temporary variances under para-
10 graph (1)(B).

11 “(B) WEATHER, PEST, OR DISEASE PROB-
12 LEMS.—If the request for a temporary variance
13 under paragraph (1)(B) involves the use of
14 practices or measures to address weather, pest,
15 or disease problems, the Secretary shall make a
16 decision on whether to grant the variance dur-
17 ing the 30-day period beginning on the date of
18 receipt of the request.

19 “(C) FAILURE TO RENDER DECISION.—If
20 the Secretary fails to render a decision during
21 the period, the temporary variance shall be con-
22 sidered granted.

23 “(d) INFORMATION.—In providing assistance to an
24 individual in the preparation or revision of a conservation

1 plan under this section, the Secretary shall provide the
2 individual with information concerning—

3 “(1) cost effective and applicable erosion con-
4 trol measures that may be available to the individual
5 to meet the requirements of this section; and

6 “(2) crop flexibility, base adjustment, and con-
7 servation assistance options that may be available to
8 the individual to meet the requirements of this sec-
9 tion, including titles X, XII, and XIII of the Food,
10 Agriculture, Conservation, and Trade Act of 1990
11 (or the amendments made by those titles).”.

12 **SEC. 2103. NOTICE AND INVESTIGATION OF POSSIBLE COM-**
13 **PLIANCE DEFICIENCIES.**

14 Section 1215 of the Food Security Act of 1985 (16
15 U.S.C. 3814) is amended to read as follows:

16 **“SEC. 1215. NOTICE AND INVESTIGATION OF POSSIBLE**
17 **COMPLIANCE DEFICIENCIES.**

18 “(a) IN GENERAL.—An employee of the Department
19 of Agriculture who observes a possible compliance defi-
20 ciency or other potential violation of a conservation plan
21 or this subtitle while providing on-site technical assistance
22 shall report the violation to the State Conservationist and
23 Farm Service Agency State executive director.

24 “(b) INVESTIGATION.—Not later than 60 days after
25 the date on which a report is made under subsection (a),

1 the State Conservationist and Farm Service Agency State
2 executive director shall jointly investigate the report.

3 “(c) **JOINT DECISION.**—The State Conservationist
4 and Farm Service Agency State executive director shall—

5 “(1) enter a joint record of decision on the de-
6 termination of whether a violation occurred; or

7 “(2) if the State Conservationist and Farm
8 Service Agency State executive director are not able
9 to reach a joint decision, refer the matter to the Sec-
10 retary for decision.

11 “(d) **COMPLIANCE INFORMATION.**—If a compliance
12 deficiency or violation of a conservation plan of this sub-
13 title is determined under paragraph (1) or (2) of sub-
14 section (c), the State Conservationist and Farm Service
15 Agency State executive director shall provide each respon-
16 sible person with any information necessary for the re-
17 sponsible person to comply with the conservation plan and
18 this subtitle.

19 “(e) **CORRECTIVE ACTION.**—

20 “(1) **IN GENERAL.**—A responsible person shall
21 attempt to correct the deficiencies as soon as prac-
22 ticable after receiving information under subsection
23 (d).

24 “(2) **REVIEW OF CORRECTIVE ACTION.**—If the
25 corrective action is not fully implemented by the

1 date that is 1 year after the date on which the re-
2 sponsible person receives the information, the Sec-
3 retary shall conduct a review of the status of compli-
4 ance of the person with the conservation plan and
5 this subtitle.

6 “(f) REVIEW AND APPEAL OF DETERMINATION OF
7 VIOLATION.—A decision requiring corrective action under
8 subsection (e) may be appealed to the National Appeals
9 Division by the State Conservationist, the State Farm
10 Service Agency director, or the responsible person.”.

11 **CHAPTER 2—GRASSLAND CONSERVATION**

12 **SEC. 2121. GRASSLAND CONSERVATION.**

13 (a) IN GENERAL.—Subtitle B of title XII of the Food
14 Security Act of 1985 (16 U.S.C. 3811 et seq.) is amended
15 by adding at the end the following:

16 **“CHAPTER 2—GRASSLAND** 17 **CONSERVATION**

18 **“SEC. 1216. PROGRAM INELIGIBILITY.**

19 “(a) DEFINITION OF GRASSLAND.—

20 “(1) IN GENERAL.—In this section, subject to
21 paragraph (2), the term ‘grassland’ means range-
22 land and native grassland that is not listed as crop-
23 land on maps maintained by the Secretary at 1 or
24 more local service centers.

1 “(2) EXCEPTION.—The term ‘grassland’ does
2 not include land described in paragraph (1) if the
3 producer verifies to the satisfaction of the Secretary
4 that the land was in crop production prior to July
5 1, 2007.

6 “(b) INELIGIBILITY.—

7 “(1) IN GENERAL.—Notwithstanding any other
8 provision of law, beginning on the date of enactment
9 of this section, grassland on which an annual agri-
10 cultural commodity is produced shall be permanently
11 ineligible to be the basis of any benefit described in
12 paragraph (2) that is based on the acreage of the
13 grassland, or the production from that acreage, as
14 determined by the Secretary.

15 “(2) APPLICABLE LOANS AND PAYMENTS.—
16 Benefits referred to in paragraph (1) are any type
17 of price support, payment, loan, or other benefit, as
18 determined by the Secretary, authorized under—

19 “(A) this title;

20 “(B) title I of the Farm Security and
21 Rural Investment Act of 2002 (7 U.S.C. 7901
22 et seq.);

23 “(C) the Commodity Credit Corporation
24 Charter Act (15 U.S.C. 714 et seq.);

1 “(D) the Consolidated Farm and Rural
2 Development Act (7 U.S.C. 1921 et seq.);

3 “(E) the Federal Crop Insurance Act (7
4 U.S.C. 1501 et seq.);

5 “(F) any law providing agricultural dis-
6 aster assistance; or

7 “(G) any other Act administered by the
8 Secretary.

9 “(3) BENEFIT REDUCTION.—The Secretary
10 shall determine, by regulation, the method by which
11 a benefit described in paragraph (2) is reduced or
12 eliminated in relation to grassland described in para-
13 graph (1).

14 “(c) CONSERVATION RESERVE EXEMPTION.—Land
15 enrolled in the conservation reserve program established
16 under subchapter B of chapter 1 of subtitle D during any
17 of the 6 crop years preceding the date of enactment of
18 this section shall be considered to have been used for crop
19 production for the purposes of subsection (b)(1).

20 “(d) PROHIBITION ON DELEGATION.—The Secretary
21 shall—

22 “(1) have the sole authority to determine
23 whether a person has complied with this chapter;
24 and

1 “(2) not delegate that authority to any private
2 person or entity.”.

3 (b) CONFORMING AMENDMENT.—Subtitle B of title
4 XII of the Food Security Act of 1985 is amended by in-
5 serting before section 1211 (16 U.S.C. 3811) the fol-
6 lowing:

7 **“CHAPTER 1—HIGHLY ERODIBLE LAND**
8 **CONSERVATION”.**
9 **Subtitle C—Wetland Conservation**

10 **SEC. 2201. WETLAND CONSERVATION.**

11 (a) PROGRAM INELIGIBILITY.—Section 1221 of the
12 Food Security Act of 1985 (16 U.S.C. 3821) is amend-
13 ed—

14 (1) by striking subsections (a) and (b) and in-
15 serting the following:

16 “(a) PRODUCTION ON CONVERTED WETLAND.—Ex-
17 cept as provided in this subtitle and notwithstanding any
18 other provision of law, beginning on the date of enactment
19 of **【the 2007 Farm Bill】**, any person that in any crop
20 year produces an agricultural commodity on converted
21 wetland, as determined by the Secretary, shall be in viola-
22 tion of this section and ineligible for —

23 “(1) as to any commodity produced during that
24 crop year by the person—

1 “(A) any type of price support, payment,
2 or loan under title I of the Farm Security and
3 Rural Investment Act of 2002 (7 U.S.C. 7901
4 et seq.), the Commodity Credit Corporation
5 Charter Act (15 U.S.C. 714 et seq.), or any
6 other Act;

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

10 “(C) a disaster payment;

11 “(D) a loan made, insured, or guaranteed
12 under the Consolidated Farm and Rural Devel-
13 opment Act (7 U.S.C. 1921 et seq.) or any
14 other provision of law administered by the Con-
15 solidated Farm Service Agency, if the Secretary
16 determines that the proceeds of the loan will be
17 used for a purpose that will contribute to exces-
18 sive erosion of highly erodible land; or

19 “(E)(i) a crop or revenue insurance pay-
20 ment, or risk management payment, made
21 under the Federal Crop Insurance Act (7
22 U.S.C. 1501 et seq.); or

23 “(ii) a payment made under the non-
24 insured crop disaster assistance program estab-
25 lished by section 196 of the Federal Agriculture

1 Improvement and Reform Act of 1996 (7
2 U.S.C. 7333);

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

8 “(3) during the crop year—

9 “(A) a payment made under subtitle D;

10 “(B) a payment under section 401 or 402
11 of the Agricultural Credit Act of 1978 (16
12 U.S.C. 2201 or 2202); or

13 “(C) a payment, loan, or other assistance
14 under section 3 or 8 of the Watershed Protec-
15 tion and Flood Prevention Act (16 U.S.C. 1003
16 or 1006a).”; and

17 (2) by redesignating subsections (e) through (e)
18 as subsections (b) through (d), respectively.

19 (b) CONSULTATION.—Subtitle C of title XII of the
20 Food Security Act of 1985 (16 U.S.C. 3821 et seq.) is
21 amended by adding at the end the following:

22 **“SEC. 1225. CONSULTATION.**

23 “The Secretary shall consult with the Secretary of
24 the Interior on such determinations and actions as are
25 necessary to carry out this subtitle, including—

1 “(1) the identification and certification of wet-
2 lands;

3 “(2) the determination of exemptions under sec-
4 tion 1222;

5 “(3) mitigation determinations and the imposi-
6 tion of mitigation agreements; and

7 “(4) the promulgation of regulations under sec-
8 tion 1244 to carry out this subtitle.”.

9 **Subtitle D—Agricultural Resources**
10 **Conservation Program**

11 **CHAPTER 1—COMPREHENSIVE**
12 **CONSERVATION ENHANCEMENT**

13 **Subchapter A—Comprehensive Conservation**
14 **Enhancement Program**

15 **SEC. 2301. CONTRACT AND EASEMENT MODIFICATIONS**
16 **AND TERMINATIONS.**

17 Section 1230 of the Food Security Act of 1985 (16
18 U.S.C. 3830) is amended—

19 (1) in subsection (a)—

20 (A) in paragraph (1), by striking “2002”
21 and inserting “2020”; and

22 (B) in paragraph (3), by striking subpara-
23 graphs (A) through (C) and inserting the fol-
24 lowing:

1 “(A) the programs established under this
2 title; and

3 “(B) the programs established under the
4 Healthy Forests Restoration Act of 2003 (16
5 U.S.C. 6501 et seq.)”;

6 (2) in subsection (b)(2), by striking “the con-
7 servation reserve or wetlands reserve program” and
8 inserting “a program established under this title or
9 the Healthy Forests Restoration Act of 2003 (16
10 U.S.C. 6501 et seq.)”; and

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

12 “(c) MODIFICATIONS AND TERMINATIONS.—

13 “(1) MODIFICATIONS.—The Secretary may
14 modify a contract or easement acquired from, or a
15 related agreement with, an owner under this chapter
16 if—

17 “(A) the current owner agrees to the modi-
18 fication; and

19 “(B) the Secretary determines that the
20 modification is desirable—

21 “(i) to carry out this chapter and the
22 individual programs;

23 “(ii) to facilitate the practical admin-
24 istration of this chapter and the individual
25 programs; or

1 “(iii) to achieve such other goals as
2 the Secretary determines are appropriate
3 and consistent with this chapter and the
4 individual programs.

5 “(2) TERMINATIONS.—The Secretary may ter-
6 minate an easement created with an owner under
7 this chapter if—

8 “(A) the current owner of the land agrees
9 to the termination; and

10 “(B) the Secretary determines that the ter-
11 mination would be in the public interest.

12 “(3) MITIGATION.—

13 “(A) IN GENERAL.—As determined by the
14 Secretary, conservation values impacted by a
15 modification or termination described in para-
16 graph (1) or (2) shall be fully mitigated by the
17 party requesting the modification or termi-
18 nation through—

19 “(i) the donation of additional, envi-
20 ronmentally-equivalent easement land to
21 the United States; or

22 “(ii) the payment of monetary com-
23 pensation based on a value established by
24 the Secretary.

1 “(B) USE OF FUNDS.—Any funds received
2 under subparagraph (A)(ii) shall—

3 “(i) be retained by the Secretary for
4 the purpose of purchasing mitigation con-
5 servation easement acres; and

6 “(ii) remain available until expended.

7 “(C) ADMINISTRATION FEES.—The Sec-
8 retary may charge and retain reasonable admin-
9 istration fees in processing any requests for
10 modification or termination.”.

11 **SEC. 2302. COMPLIANCE AND PERFORMANCE.**

12 Section 1230A of the Food Security Act of 1985 (16
13 U.S.C. 3830a) is amended to read as follows:

14 **“SEC. 1230A. COMPLIANCE AND PERFORMANCE.**

15 “For each conservation program under this title, the
16 Secretary shall develop procedures—

17 “(1) to monitor compliance with program re-
18 quirements by landowners and eligible entities;

19 “(2) to measure program performance; and

20 “(3) to demonstrate whether the long-term con-
21 servation benefits of the program are being
22 achieved.”.

1 **Subchapter B—Conservation Reserve**

2 **SEC. 2311. CONSERVATION RESERVE PROGRAM.**

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

5 (1) by striking “2007” and inserting “2013”;
6 and

7 (2) by inserting “and assist the recovery of
8 rare, threatened, endangered, and candidate species”
9 before the period at the end.

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

12 (1) in paragraph (1)—

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

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

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

18 “(C) will be used as a waterway or buffer
19 strip;”;

20 (2) in paragraph (4)(C), by striking “; or” and
21 inserting a semicolon;

22 (3) in paragraph (5), by striking the period at
23 the end and inserting “; or”; and

24 (4) by adding at the end the following:

1 “(6) marginal pasture land or hay land that is
2 otherwise ineligible, if the land—

3 “(A) is to be devoted to native vegetation
4 appropriate to the ecological site; and

5 “(B)(i) would provide suitable habitat for
6 State or federally listed threatened or endan-
7 gered species or species determined by the Sec-
8 retary of the Interior to be species of concern;
9 or

10 “(ii) would contribute to the restoration of
11 an endangered ecosystem or a rare and declin-
12 ing forest ecosystem, as defined by the Sec-
13 retary.”.

14 (c) ENROLLMENT.—Section 1231(d) of the Food Se-
15 curity Act of 1985 (16 U.S.C. 3831(d)) is amended—

16 (1) by striking “up to” and all that follows
17 through “2007” and inserting “up to 39,200,000
18 acres in the conservation reserve at any 1 time dur-
19 ing the 2008 through 2013”; and

20 (2) by inserting before the period at the end the
21 following: “, of which, to the maximum extent prac-
22 ticable, 7,000,000 acres shall be enrolled in both the
23 conservation reserve using continuous signup under
24 section 1234(c)(2)(B) and the special conservation
25 reserve enhancement program described in section

1 1234(f)(4), of which, to the maximum extent prac-
2 ticable, not less than 500,000 acres shall be enrolled
3 each calendar year.”

4 (d) PILOT PROGRAM FOR ENROLLMENT OF WET-
5 LAND AND BUFFER ACREAGE IN CONSERVATION RE-
6 SERVE.—Section 1231(h)(1)(A) of the Food Security Act
7 of 1985 (16 U.S.C. 3831(h)(1)(A)) is amended by striking
8 “2007” and inserting “2013”.

9 (e) DUTIES OF PARTICIPANTS.—Section 1232(a) of
10 the Food Security Act of 1985 (16 U.S.C. 3832(a)) is
11 amended—

12 (1) in paragraph (4)—

13 (A) by redesignating subparagraphs (A)
14 and (B) as subparagraphs (B) and (C), respec-
15 tively; and

16 (B) by inserting before subparagraph (B)
17 (as so redesignated) the following:

18 “(A) approved vegetative cover—

19 “(i) shall encourage the planting of
20 native species and restoration of biodiver-
21 sity; and

22 “(ii) shall not include invasive species
23 or vegetative cover inappropriate to the
24 ecosystem;”;

1 (2) by redesignating paragraphs (5) through
2 (10) as paragraphs (6) through (11), respectively;
3 and

4 (3) by inserting after paragraph (4) the fol-
5 lowing:

6 “(5) to undertake active management on the
7 land as needed throughout the term of the contract
8 to implement the conservation plan;”.

9 (f) **MANAGED HARVESTING AND GRAZING.**—Section
10 1232(a)(7) of the Food Security Act of 1985 (16 U.S.C.
11 3832(a)(7)) is amended—

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

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

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

17 “(C) managed harvesting and grazing out-
18 side of the nesting and broodrearing seasons for
19 birds in the area if—

20 “(i) the harvesting and grazing is per-
21 mitted under the conservation plan of the
22 owner or operator;

23 “(ii) the harvesting and grazing is
24 consistent with the State- or ecosystem-
25 specific criteria developed by the Secretary

1 (acting through the Natural Resources
2 Conservation Service, in consultation with
3 the State technical committee of the
4 State); and

5 “(iii) the Secretary reduces the rental
6 payment otherwise payable under the con-
7 tract by an amount commensurate with the
8 economic value of the activity;”.

9 (g) CONSERVATION PLANS.—Section 1232(b)(1)(A)
10 of the Food Security Act of 1985 (16 U.S.C.
11 3832(b)(1)(A)) is amended by striking “contract; and”
12 and inserting the following: “contract that are—

13 “(i) compatible with wildlife and wild-
14 life habitat;

15 “(ii) clearly described and applicable
16 throughout the duration of the contract;

17 “(iii) actively managed by the owner
18 or operator that entered into the contract;
19 and

20 “(iv) consistent with local active man-
21 agement conservation measures and prac-
22 tices, as determined by the Secretary (act-
23 ing through the Natural Resources Con-
24 servation Service, in consultation with the

1 State technical committee of the State);
2 and”.

3 (h) ACCEPTANCE OF CONTRACT OFFERS.—Section
4 1234(c) of the Food Security Act of 1985 (16 U.S.C.
5 3834(c)) is amended—

6 (1) in paragraph (3)—

7 (A) in the matter preceding subparagraph
8 (A), by striking “may”;

9 (B) in subparagraph (A)—

10 (i) by inserting “shall” after “(A)”;

11 (ii) by striking “would improve” and
12 inserting the following: “would—

13 “(i) improve”; and

14 (iii) by striking “and” at the end and
15 inserting the following:

16 “(ii) further the use of native species
17 that are compatible with local pollination
18 activity;

19 “(iii) improve habitat for at-risk spe-
20 cies; and

21 “(iv) address State or local priority
22 resources of concern, as defined under
23 **[_____]**”; and

24 (C) in subparagraph (B), by inserting
25 “may” after “(B)”;

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

2 “(5) WILDLIFE HABITAT.—

3 “(A) IN GENERAL.—The Secretary shall
4 adjust the number of points awarded under the
5 environmental benefits index used to enroll eli-
6 gible land in the conservation reserve in each
7 State to give priority to applications that, as
8 determined by the Secretary, would—

9 “(i) maximize benefits to rare, threat-
10 ened, endangered, and candidate species in
11 the State;

12 “(ii) further the goals of the State
13 wildlife plan of the State; or

14 “(iii) assist in reaching and exceeding
15 the stewardship threshold for priority re-
16 source concerns, as defined under **【sub-**
17 **chapter A of chapter 6】**.

18 “(B) PROTECTION OF WILDLIFE HABITAT
19 ALONE.—In determining the acceptability of
20 contract offers, the Secretary may enroll eligible
21 land in the conservation reserve based on the
22 extent to which enrollment of the land would
23 improve wildlife habitat, regardless of whether
24 enrollment would provide other environmental
25 benefits, if the Secretary determines that enroll-

1 ment would assist the recovery of rare, threat-
2 ened, endangered, and candidate species.

3 “(C) OTHER CONSIDERATIONS.—In deter-
4 mining the acceptability of contract offers for
5 new enrollments, if, as determined by the Sec-
6 retary, the land would provide at least equiva-
7 lent conservation benefits to land under com-
8 peting offers, the Secretary shall, to the max-
9 imum extent practicable, accept an offer from
10 an owner or operator that—

11 “(i) is a resident in the county in
12 which the land is located or in a contig-
13 uous county;

14 “(ii) allows public access; or

15 “(iii) submits bids using payment
16 amounts that are below local rental
17 rates.”.

18 (i) ADMINISTRATION.—Section 1234 of the Food Se-
19 curity Act of 1985 (16 U.S.C. 3834) is amended by adding
20 at the end the following:

21 “(h) ADMINISTRATION.—

22 “(1) MID-CONTRACT COMPLIANCE REVIEWS.—
23 The Secretary shall conduct a mid-contract compli-
24 ance review of each contract entered into under this
25 subchapter.

1 “(2) PROGRAM DECISIONS.—The Administrator
2 of the Farm Service Agency shall obtain the concu-
3 rence of the Chief of the Natural Resources Con-
4 servaion Service for each nonadministrative pro-
5 gram decision or action that is taken by the Sec-
6 retary in carrying out this subchapter.”.

7 (j) CONSERVATION RESERVE PROGRAM TRANSITION
8 INCENTIVES.—Section 1235(e) of the Food Security Act
9 of 1985 (16 U.S.C. 3835(e)) is amended—

10 (1) in paragraph (1)(B)—

11 (A) in clause (ii), by striking “or” at the
12 end;

13 (B) by redesignating clause (iii) as clause
14 (iv); and

15 (C) by inserting after clause (ii) the fol-
16 lowing:

17 “(iii) to facilitate a transition of land
18 subject to the contract from a retired or
19 retiring owner or operator to a beginning
20 farmer or rancher or socially disadvan-
21 taged farmer or rancher for the purpose of
22 returning some or all of the land into pro-
23 duction using sustainable grazing or crop
24 production methods; or”;

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

1 “(3) TRANSITION OPTION FOR BEGINNING
2 FARMERS OR RANCHERS AND SOCIALLY DISADVAN-
3 TAGED FARMERS OR RANCHERS.—

4 “(A) IN GENERAL.—In the case of a con-
5 tract modification approved in order to facili-
6 tate the transfer of land subject to a contract
7 from a retired or retiring owner or operator to
8 a beginning farmer or rancher or socially dis-
9 advantaged farmer or rancher under paragraph
10 (1)(B)(iii), the Secretary shall—

11 “(i) beginning on the date that is 1
12 year before the date of termination of the
13 contract—

14 “(I) allow the beginning farmer
15 or rancher or socially disadvantaged
16 farmer or rancher, in conjunction with
17 the retired or retiring owner or oper-
18 ator, to make conservation and land
19 improvements; and

20 “(II) allow the beginning farmer
21 or rancher or socially disadvantaged
22 farmer or rancher, at the election of
23 the farmer or rancher, to begin the
24 certification process under the Or-

1 ganic Foods Production Act of 1990
2 (7 U.S.C. 6501 et seq.);

3 “(ii) beginning on the date of termi-
4 nation of the contract, allow the retired or
5 retiring owner or operator to sell or lease
6 (under a long-term lease or a lease with an
7 option to purchase) to the beginning farm-
8 er or rancher or socially disadvantaged
9 farmer or rancher the land subject to the
10 contract for production purposes;

11 “(iii) require the beginning farmer or
12 rancher or socially disadvantaged farmer
13 or rancher to develop and implement a
14 comprehensive conservation plan that
15 meets such sustainability criteria as the
16 Secretary may establish;

17 “(iv) provide to the beginning farmer
18 or rancher or socially disadvantaged farm-
19 er or rancher an opportunity to enroll in
20 the comprehensive stewardship incentives
21 program established under [subchapter A
22 of chapter 6] by not later than the date on
23 which the farmer or rancher takes posses-
24 sion, through ownership or lease, of the
25 land; and

1 “(v) continue to make annual pay-
2 ments to the retired or retiring owner or
3 operator for not more than an additional 2
4 years after the date of termination of the
5 contract, if the retired or retiring owner or
6 operator is not a family member (as de-
7 fined in [section 1001A(b)(3)(B) of the
8 Food Security Act of 1985 (7 U.S.C.
9 1308–1(b)(3)(B))] of the beginning farm-
10 er or rancher or socially disadvantaged
11 farmer or rancher.

12 “(B) REENROLLMENT.—The Secretary
13 shall provide to a beginning farmer or rancher
14 or socially disadvantaged farmer or rancher de-
15 scribed in subparagraph (A) the option to re-
16 enroll any applicable partial field conservation
17 practice that is—

18 “(i) eligible for enrollment under the
19 continuous signup requirement of section
20 1231(h)(4)(B); and

21 “(ii) part of an approved comprehen-
22 sive conservation plan.”.

23 (k) CONTRACTS.—Section 1235 of the Food Security
24 Act of 1985 (16 U.S.C. 3835) is amended by adding at
25 the end the following:

1 “(f) REENROLLMENT OF LAND.—

2 “(1) COMPETITIVE BIDS.—

3 “(A) IN GENERAL.—Except as provided in
4 subparagraph (B), on the termination of a con-
5 tract entered into under this subchapter, the
6 owner or operator of the land may reenroll the
7 land in the conservation reserve only by submit-
8 ting a bid for enrollment in accordance with
9 section 1234(c)(2)(A).

10 “(B) EXCEPTIONS.—Subparagraph (A)
11 does not apply to a contract entered into—

12 “(i) using continuous signup under
13 section 1234(c)(2)(B); or

14 “(ii) under the special conservation
15 reserve enhancement program described in
16 section 1234(f)(4).

17 “(2) LIMITATION ON REENROLLMENT.—

18 “(A) IN GENERAL.—Except as provided in
19 subparagraph (B), the Secretary shall establish
20 a limit on the number of times that eligible land
21 may be reenrolled in the conservation reserve
22 under this subchapter.

23 “(B) PERMANENT RETIREMENT OF
24 LAND.—An owner or operator may enroll eligi-
25 ble land in the conservation reserve in excess of

1 the limitation established under subparagraph
2 (A) if the owner or operator agrees to retire
3 permanently any cropland base and allotment
4 history for the land.”.

5 (l) COUNTY ACREAGE LIMITATION.—Section 1243(b)
6 of the Food Security Act of 1985 (16 U.S.C. 3843(b))
7 is amended by striking paragraph (1) and inserting the
8 following:

9 “(1) LIMITATIONS.—

10 “(A) IN GENERAL.—The Secretary shall
11 not enroll more than 25 percent of the cropland
12 in any county in the programs administered
13 under the conservation reserve program under
14 subchapter B of chapter 1 of subtitle D.

15 “(B) EASEMENTS.—Not more than 10
16 percent of the cropland in a county may be sub-
17 ject to an easement acquired under subchapter
18 B or C of chapter 1 of subtitle D.

19 “(C) EXCLUSION.—Subparagraphs (A)
20 and (B) shall not apply to acres enrolled—

21 “(i) in the conservation reserve each
22 calendar year using continuous signup
23 under section 1234(e)(2)(B); or

1 “(ii) in the special conservation re-
2 serve enhancement program described in
3 section 1234(f)(4).”.

4 **Subchapter C—Wetland Reserve Program**

5 **SEC. 2321. WETLAND RESERVE PROGRAM.**

6 (a) IN GENERAL.—Section 1237 of the Food Security
7 Act of 1985 (16 U.S.C. 3837) is amended to read as fol-
8 lows:

9 **“SEC. 1237. WETLAND RESERVE PROGRAM.**

10 “(a) DEFINITION OF WETLAND RESERVE AGREE-
11 MENT.—In this subchapter, the term ‘wetland reserve
12 agreement’ means—

13 “(1) a permanent easement on wetland or
14 floodplains;

15 “(2) a 30-year easement on wetland or
16 floodplains; and

17 “(3) in the case of acreage owned by a tribal
18 government, a 30-year contract on wetland or
19 floodplains.

20 “(b) ESTABLISHMENT AND PURPOSES.—

21 “(1) ESTABLISHMENT.—The Secretary shall es-
22 tablish a wetland reserve program to assist owners
23 of eligible land in restoring and protecting wetland.

24 “(2) PURPOSES.—The purposes of the wetland
25 reserve program are—

1 “(A) to restore, create, protect, or enhance
2 wetland on land that is eligible for enrollment
3 under subsection (d) or (e); and

4 “(B) to reestablish functioning floodplains,
5 including reconnecting rivers to floodplain land
6 for the purpose of restoring ecological functions
7 to land isolated from rivers by levees.

8 “(c) ENROLLMENT CONDITIONS.—

9 “(1) MAXIMUM ENROLLMENT.—To the max-
10 imum extent practicable, the Secretary shall enroll
11 250,000 acres in the wetland reserve program in
12 each fiscal year, of which not more than 10 percent
13 shall be used to enroll floodplain land under sub-
14 section (b)(2)(B).

15 “(2) METHODS OF ENROLLMENT.—The Sec-
16 retary shall enroll acreage into the wetland reserve
17 program through the use of—

18 “(A) wetland reserve agreements;

19 “(B) restoration cost-share agreements; or

20 “(C) any combination of those options.

21 “(3) SPECIAL RULE FOR FLOODPLAIN ACRE-
22 AGE.—With respect to acreage on a floodplain, the
23 Secretary may enroll land using negative restrictive
24 easements that allow economic uses (including such
25 activities as planting and harvesting native perennial

1 flood-tolerant crops, planting of native vegetation for
2 cover, hunting and fishing, managed timber harvest,
3 and periodic haying or grazing) if—

4 “(A) the use is consistent with the long-
5 term protection and enhancement of the flood-
6 plain resources for which the easement was es-
7 tablished; and

8 “(B) the negative restrictive easement re-
9 sults in significant cost savings.

10 “(d) ELIGIBILITY.—For purposes of enrolling land in
11 the wetland reserve program during the 2008 through
12 **[2020]** fiscal years, land shall be eligible to be placed into
13 the wetland reserve if the Secretary, in consultation with
14 the Secretary of the Interior at the local level, determines
15 that—

16 “(1) in the case of wetland—

17 “(A) the land maximizes wildlife benefits
18 and wetland values and functions;

19 “(B) subject to subsection (f)(1), the land
20 is farmed wetland or converted wetland, to-
21 gether with adjacent land that is functionally
22 dependent on the wetland; and

23 “(C) the likelihood of the successful res-
24 toration of the land and the resultant wetland
25 values merit inclusion of the land into the pro-

1 gram, taking into consideration the cost of the
2 restoration; or

3 “(2) in the case of floodplain land—

4 “(A) the land maximizes wildlife benefits
5 and floodplain values and functions;

6 “(B) the land lies within a 100-year flood-
7 plain, as determined by the Secretary;

8 “(C) the land is prior converted floodplain
9 (except that converted floodplain on which con-
10 version was not commenced by January 1,
11 2007, shall not be eligible to be enrolled in the
12 program under this section);

13 “(D) the cost of restoration is propor-
14 tionate to the environmental value to be derived
15 from the restoration; and

16 “(E)(i) other land within the floodplain
17 would contribute to the restoration of the flood
18 storage and flow; or

19 “(ii) acquisition of that land would make
20 management of the wetland reserve easement
21 more effective.

22 “(e) OTHER ELIGIBLE LAND.—In addition to land
23 described in subsection (d), the Secretary may include in
24 the wetland reserve land that maximizes wildlife benefits
25 and that is—

1 “(1) farmed wetland, floodplain land, and ad-
2 joining land, enrolled in the conservation reserve,
3 with the highest wetland functions and values, and
4 that is likely to return to production after the land
5 leaves the conservation reserve;

6 “(2) other wetland of an owner that would not
7 otherwise be eligible, if the Secretary determines
8 that the inclusion of the wetland in the wetland re-
9 serve agreement would significantly add to the func-
10 tional value of the wetland reserve agreement; or

11 “(3) a riparian area, including an area that
12 links 2 or more parcels of wetland that are protected
13 by wetland reserve agreements or some other device
14 or circumstance that achieves the same purpose as
15 a wetland reserve agreement.

16 “(f) INELIGIBLE LAND.—The Secretary may not ac-
17 quire wetland reserve agreements on—

18 “(1) converted wetland on which the conversion
19 was not commenced prior to December 23, 1985;

20 “(2) land that contains timber stands estab-
21 lished under the conservation reserve under sub-
22 chapter B;

23 “(3) pasture land established to trees under the
24 conservation reserve under subchapter B;

1 “(4) land on which implementation of restora-
2 tion practices would not be productive due to on-site
3 or off-site conditions;

4 “(5) land that is subject to an existing ease-
5 ment or deed restriction, if the easement or deed
6 provides sufficient protection or restoration of the
7 functions and values of the floodplain, as determined
8 by the Secretary; or

9 “(6) land for which purchase of a wetland re-
10 serve agreement would not meet the purposes de-
11 scribed in subsection (b)(2), as determined by the
12 Secretary.

13 “(g) **TERMINATION OF EXISTING CONTRACT.**—The
14 Secretary may terminate or modify an existing contract
15 entered into under section 1231(a) if eligible land that is
16 subject to the contract is transferred into the wetland re-
17 serve program.”.

18 (b) **EASEMENTS AND AGREEMENTS.**—Section 1237A
19 of the Food Security Act of 1985 (16 U.S.C. 3837a) is
20 amended to read as follows:

21 **“SEC. 1237A. EASEMENTS AND AGREEMENTS.**

22 “(a) **IN GENERAL.**—To be eligible to place land in
23 the wetland reserve, the owner of the land shall enter into
24 an agreement with the Secretary—

1 “(1) in the case of a wetland reserve agree-
2 ment—

3 “(A) to grant a wetland reserve agreement
4 on the land to the Secretary;

5 “(B) to implement a wetland reserve
6 agreement conservation plan in accordance with
7 this section, including management activities
8 (such as managed grazing) to assist in control-
9 ling invasive species or otherwise maintaining
10 and improving wetland and floodplain functions
11 and values;

12 “(C) to create and record an appropriate
13 deed restriction in accordance with applicable
14 State law to reflect the wetland reserve agree-
15 ment agreed to under this subchapter with re-
16 spect to the land, if applicable; and

17 “(D) to provide a written statement of
18 consent to the wetland reserve agreement
19 signed by individuals or entities that hold a se-
20 curity interest in the land; and

21 “(2) in the case of a restoration cost-share
22 agreement, to restore wetland on the enrolled land
23 without the landowner providing the Secretary with
24 a wetland reserve agreement.

25 “(b) TERMS OF WETLAND RESERVE AGREEMENT.—

1 of the wetland resources for which the wet-
2 land reserve agreement was established;
3 and

4 “(iv) in the case of floodplain land,
5 the land to be used for planting and har-
6 vesting flood-tolerant crops and planting
7 native vegetation for cover;

8 “(B) prohibits—

9 “(i) the alteration of wildlife habitat
10 and other natural features of the land, un-
11 less specifically permitted by the plan;

12 “(ii) the spraying of the land with
13 chemicals or the mowing of the land, ex-
14 cept where the spraying or mowing is per-
15 mitted by the plan or is necessary—

16 “(I) to comply with Federal or
17 State noxious weed control laws; or

18 “(II) to comply with a Federal or
19 State emergency pest treatment pro-
20 gram;

21 “(iii) any activities to be carried out
22 on the land of the participating landowner
23 or successor, that is immediately adjacent
24 to, and functionally related to, the land
25 that is subject to the wetland reserve

1 agreement, if the activities will alter, de-
2 grade, or otherwise diminish the functional
3 value of the eligible land; and

4 “(iv) the adoption of any other prac-
5 tice that would tend to defeat the purposes
6 of this subchapter, as determined by the
7 Secretary;

8 “(C) provides for the efficient and effective
9 restoration of the functional values of wetland
10 or floodplain land;

11 “(D) provides for the efficient and effective
12 management of the restored wetland floodplain
13 and adjacent upland; and

14 “(E) includes such additional provisions as
15 the Secretary determines are desirable to carry
16 out, or facilitate the practical administration, of
17 this subchapter.

18 “(2) HAYING AND GRAZING.—A wetland reserve
19 agreement granted to the Secretary under this sec-
20 tion may exclude the grazing and haying rights if—

21 “(A) allowing the owner to maintain those
22 rights would be compatible with the purposes of
23 the wetland reserve program, as determined by
24 the Secretary in consultation with the Secretary
25 of the Interior at the local level; and

1 “(B) the wetland reserve agreement results
2 in a significant reduction in purchase costs.

3 “(c) WETLAND RESERVE AGREEMENT PURCHASE
4 COSTS.—

5 “(1) IN GENERAL.—In enrolling eligible land
6 through an entity described in subsection (d)—

7 “(A) the Federal share of the cost of pur-
8 chasing a wetland reserve agreement or other
9 interest in eligible land shall not exceed 50 per-
10 cent of the value of the land as determined in
11 accordance with the method of valuation used
12 by the Secretary on January 1, 2003; and

13 “(B) an entity described in subsection (d)
14 may include a charitable donation by the pri-
15 vate landowner from which the eligible land is
16 to be purchased of not more than 25 percent of
17 the appraised fair market value of the wetland
18 reserve agreement or other interest in eligible
19 land.

20 “(2) EFFECT OF OTHER LAW.—The Uniform
21 Relocation Assistance and Real Property Acquisition
22 Policies Act of 1970 (42 U.S.C. 4601 et seq.) (in-
23 cluding implementing regulations and policies) shall
24 not apply to appraisals of land offered for enroll-
25 ment in the wetland reserve program.

1 “(d) EASEMENT TITLE.—The title holder of an ease-
2 ment obtained under this subchapter may be, in addition
3 to or in lieu of the Secretary—

4 “(1) any agency of any State or local govern-
5 ment or an Indian tribe (including a conservation
6 district or land resource council established under
7 State or tribal law); or

8 “(2) any organization that—

9 “(A) is organized for, and at all times
10 since the formation of the organization has
11 been operated principally for, 1 or more of the
12 conservation purposes specified in clause (i),
13 (ii), (iii), or (iv) of section 170(h)(4)(A) of the
14 Internal Revenue Code of 1986;

15 “(B) is an organization described in sec-
16 tion 501(e)(3) of that Code that is exempt from
17 taxation under section 501(a) of that Code;

18 “(C) is described in section 509(a)(2) of
19 that Code; or

20 “(D) is described in section 509(a)(3), and
21 is operated, supervised, or controlled by an or-
22 ganization described in section 509(a)(2), of
23 that Code.

24 “(e) ACCEPTANCE OF CONTRIBUTIONS.—The Sec-
25 retary may accept and use contributions of funds from any

1 other Federal agency or non-Federal source to administer
2 the wetland reserve program.

3 “(f) PROTECTIONS AND IMPLEMENTATION.—

4 “(1) PROTECTIONS.—In the case of a land-
5 owner that conducts activities and practices ap-
6 proved by the Secretary under this subchapter that
7 result in a net conservation benefit for a listed or
8 candidate species, the Secretary shall cooperate with
9 the Secretary of the Interior and the Secretary of
10 Commerce, as appropriate, to make available to the
11 landowner safe harbor or similar assurances and
12 protection under sections 7(b)(4) and 10(a), as ap-
13 plicable, of the Endangered Species Act of 1973 (16
14 U.S.C. 1536(b)(4), 1539(a)).

15 “(2) IMPLEMENTATION.—If assurances and
16 protection provided under paragraph (1) involve the
17 implementation of additional activities or practices
18 under the wetland reserve agreement plan of the
19 owner, the cost of implementing the additional ac-
20 tivities or practices and the cost of any permit, shall
21 be considered part of the wetland reserve agreement
22 plan for purposes of financial assistance under this
23 subchapter.

24 “(g) WETLAND RESERVE AGREEMENT RESTORA-
25 TION AND MANAGEMENT PLAN.—

1 “(1) IN GENERAL.—A wetland reserve agree-
2 ment restoration and management plan described in
3 subsection (b) shall be updated not less frequently
4 than once every 5 years.

5 “(2) RESTORATION PLANS.—The development
6 of a wetland reserve agreement restoration and man-
7 agement plan, including any compatible use, under
8 this section shall be made through the local Natural
9 Resources Conservation Service representative, in
10 consultation with the State technical committee.

11 “(h) TYPE AND LENGTH OF WETLAND RESERVE
12 AGREEMENT.—

13 “(1) IN GENERAL.—A conservation easement
14 granted under this section—

15 “(A) shall be in a recordable form; and

16 “(B) shall be for 30 years, permanent, or
17 the maximum duration allowed under applicable
18 State law.

19 “(2) CONTRACTS.—A contract entered into with
20 a State or tribal government under this subchapter
21 shall be for a term of 30 years.

22 “(i) COMPENSATION.—

23 “(1) IN GENERAL.—Compensation for wetland
24 reserve agreements acquired by the Secretary under
25 this subchapter shall be made in cash, in such

1 amount as is agreed to and specified in the wetland
2 reserve agreement, but not to exceed the fair market
3 value of the land as determined in accordance with
4 the method of valuation used by the Secretary on
5 January 1, 2003.

6 “(2) ENROLLMENT.—Land may be enrolled
7 through the submission of bids under a procedure
8 established by the Secretary.

9 “(3) ANNUAL PAYMENTS.—Compensation may
10 be provided—

11 “(A) in a lump sum payment; or

12 “(B) if annual payments are selected, not
13 less than 2, nor more than 10, annual pay-
14 ments of equal or unequal size, as agreed to by
15 the owner and the Secretary.

16 “(j) PILOT PROGRAMS.—The Secretary may carry
17 out 1 or more pilot programs under which the Secretary
18 may offer to owners different types of wetland reserve
19 agreements to enroll land in the wetland reserve program.

20 “(k) VIOLATION.—On the violation of the terms or
21 conditions of the wetland reserve agreement entered into
22 under subsection (a)—

23 “(1) the wetland reserve agreement shall re-
24 main in force; and

1 “(2) the Secretary may require the owner to re-
2 fund all or part of any payments received by the
3 owner under this subchapter, together with interest
4 on the payments, as determined appropriate by the
5 Secretary.

6 “(1) WETLAND RESERVE ENHANCEMENT PRO-
7 GRAM.—

8 “(1) IN GENERAL.—The Secretary may grant
9 approval to, and enter into agreements with, a State
10 (including a political subdivision or agency of a
11 State) or an Indian tribe, to carry out a special wet-
12 land reserve enhancement program that the Sec-
13 retary determines will advance the purposes of this
14 subchapter.

15 “(2) INAPPLICABILITY OF CERTAIN PROVI-
16 SIONS.—Section 1237D(c) of this Act and section
17 1305(d) of the Agricultural Reconciliation Act of
18 1987 (7 U.S.C. 1308 note; Public Law 100–203)
19 shall not apply to payments received by a State (in-
20 cluding a political subdivision or agency of a State)
21 or an Indian tribe under an agreement described in
22 paragraph (1).”.

23 “(c) DUTIES OF THE SECRETARY.—Section 1237C of
24 the Food Security Act of 1985 (16 U.S.C. 3837c) is
25 amended to read as follows:

1 **“SEC. 1237C. DUTIES OF THE SECRETARY.**

2 “(a) IN GENERAL.—In return for the granting of a
3 wetland reserve agreement by an owner under this sub-
4 chapter, the Secretary shall—

5 “(1) share the cost of carrying out the estab-
6 lishment of conservation measures and practices,
7 and the protection of the wetland or floodplain land
8 functions and values, as set forth in the applicable
9 wetland conservation plan to the extent that the Sec-
10 retary determines that cost sharing is appropriate
11 and in the public interest; and

12 “(2) provide necessary technical assistance to
13 assist owners in complying with the terms and con-
14 ditions of the wetland reserve agreement and that
15 plan.

16 “(b) COST-SHARE AND TECHNICAL ASSISTANCE.—

17 “(1) WETLAND RESERVE AGREEMENTS.—Ef-
18 fective beginning October 1, 2007, in making cost-
19 share payments under subsection (a)(1), the Sec-
20 retary shall—

21 “(A) in the case of a permanent easement,
22 pay the owner an amount that is not less than
23 75 percent, but not more than 100 percent, of
24 the eligible costs; and

25 “(B) in the case of a 30-year easement or
26 a 30-year contract, pay the owner an amount

1 that is not less than 50 percent, but not more
2 than 75 percent, of the eligible costs.

3 “(2) OWNER COST SHARE.—An owner may use
4 Federal, State, tribal, or local funds or funds from
5 a nongovernmental organization to pay the non-Fed-
6 eral share of the costs described in subsection (a)(1).

7 “(3) RESTORATION COST-SHARE AGREE-
8 MENTS.—In making cost-share payments in connec-
9 tion with a restoration cost-share agreement entered
10 into under section 1237A, the Secretary shall pay
11 the owner an amount that is not less than 50 per-
12 cent, but not more than 75 percent, of the eligible
13 costs.

14 “(4) TECHNICAL ASSISTANCE.—The Secretary
15 shall provide owners with technical assistance to as-
16 sist owners in complying with the terms of wetland
17 reserve agreements and restoration cost-share agree-
18 ments.

19 “(c) RANKING OF OFFERS.—

20 “(1) IN GENERAL.—In evaluating offers from
21 landowners, the Secretary shall consider—

22 “(A) the conservation benefits of obtaining
23 a wetland reserve agreement or other interest in
24 the land;

1 “(B) the cost-effectiveness of each wetland
2 reserve agreement or other interest in eligible
3 land, so as to maximize the environmental bene-
4 fits per dollar expended;

5 “(C) whether the landowner or another
6 person is offering to contribute financially to
7 the cost of the wetland reserve agreement or
8 other interest in the land to leverage Federal
9 funds;

10 “(D) in the case of wetland—

11 “(i) the extent to which the purposes
12 of the wetland reserve program would be
13 achieved on the land;

14 “(ii) the productivity of the land;

15 “(iii) the on-farm and off-farm envi-
16 ronmental threats if the land is used for
17 the production of agricultural commodities;
18 and

19 “(iv) other similar criteria as deter-
20 mined by the Secretary; and

21 “(E) in the case of floodplain land—

22 “(i) the extent to which the purposes
23 of the wetland reserve program would be
24 achieved on the land;

1 “(ii) whether the land has been re-
2 peatedly flooded during the preceding 10
3 years;

4 “(iii) the extent to which a wetland
5 reserve agreement for the floodplain land
6 would contribute to the restoration or
7 management of land in the area sur-
8 rounding the floodplain land;

9 “(iv) enrollment of large continuous
10 tracts of floodplain land;

11 “(v) enrollment of entire drainage or
12 levee districts;

13 “(vi) water depths that sustain fish
14 through winter;

15 “(vii) river-wetland reconnections that
16 facilitate movement of aquatic organisms,
17 water, and nutrients;

18 “(viii) practices that augment flood-
19 plain connectivity;

20 “(ix) the contribution of the floodplain
21 land to reduced flooding during cata-
22 strophic floods; and

23 “(x) other similar criteria, as deter-
24 mined by the Secretary.

25 “(d) WETLAND RESERVE AGREEMENT PRIORITY.—

1 “(1) IN GENERAL.—In carrying out this sub-
2 chapter, to the maximum extent practicable, taking
3 into consideration costs and future agricultural and
4 food needs, the Secretary shall—

5 “(A) give priority to obtaining permanent
6 wetland reserve agreements before shorter-term
7 wetland reserve agreements; and

8 “(B) in consultation with the Secretary of
9 the Interior, place priority on acquiring wetland
10 reserve agreements based on the value of the
11 wetland reserve agreement for protecting and
12 enhancing habitat for at-risk species, migratory
13 birds, and other wildlife.

14 “(2) PUBLIC ACCESS.—If the Secretary deter-
15 mines that land that is the subject of 2 or more of-
16 fers would provide equivalent wetland conservation
17 benefits under each offer, the Secretary may give
18 priority to the offer from an owner or operator that
19 provides public access.”.

20 (d) PAYMENT LIMITATION.—Section 1237D(c)(1) of
21 the Food Security Act of 1985 (16 U.S.C. 3837d(c)(1))
22 is amended—

23 (1) by striking “easement payments” and in-
24 serting “payments”; and

1 (2) by inserting “or under 30-year contracts”
2 before the period at the end.

3 (e) LAND EXCHANGE.—Section 1237E of the Food
4 Security Act of 1985 (16 U.S.C. 3837e) is amended by
5 adding at the end the following:

6 “(c) LAND EXCHANGE.—In any case in which the
7 Secretary determines that it is in the best interest of the
8 Government, the Secretary may, pursuant to section 11
9 of the Department of Agriculture Organic Act of 1956 (7
10 U.S.C. 428a), allow land subject to a floodplain easement
11 to be exchanged for other land in the area surrounding
12 the floodplain land that is subject to the easement.”.

13 (f) ADMINISTRATION AND FUNDING.—

14 (1) IN GENERAL.—Section 1237F of the Food
15 Security Act of 1985 (16 U.S.C. 3837f) is amend-
16 ed—

17 (A) by redesignating subsection (b) as sub-
18 section (c); and

19 (B) by inserting after subsection (a) the
20 following:

21 “(b) THIRD-PARTY HOLDERS.—The Secretary may
22 transfer a wetland reserve agreement granted to the Sec-
23 retary under this subchapter to an agency or entity that
24 has appropriate authority, expertise, and resources to

1 manage the wetland reserve agreement in accordance with
2 this subchapter, as determined by the Secretary.”.

3 (2) CONFORMING AMENDMENT.—Section 403
4 of the Agricultural Credit Act of 1978 (16 U.S.C.
5 2203) is amended by striking “, including the pur-
6 chase of floodplain easements,”.

7 (g) TEMPORARY ADMINISTRATION OF WETLAND RE-
8 SERVE PROGRAM.—Subchapter C of chapter 1 of subtitle
9 D of title XII of the Food Security Act of 1985 (16 U.S.C.
10 3837 et seq.) is amended by adding at the end the fol-
11 lowing:

12 **“SEC. 1237G. TEMPORARY ADMINISTRATION OF WETLAND**
13 **RESERVE PROGRAM.**

14 “(a) IN GENERAL.—To ensure that technical assist-
15 ance, cost-share payments, and other payments continue
16 to be administered in an orderly manner until such time
17 as the Secretary promulgates final regulations to imple-
18 ment the amendments to this subchapter made by **【the**
19 **2007 Farm Bill】**, during the period beginning on the date
20 of enactment of this section and ending on the termination
21 date provided under subsection (b), the Secretary shall,
22 to the extent the terms and conditions of the programs
23 described in subparagraphs (A) and (B) of paragraph (1)
24 are consistent with amendments to this subchapter made
25 by **【the 2007 Farm Bill】**, continue—

1 “(1) to provide technical assistance, cost-share
2 payments, and other payments under the terms and
3 conditions of—

4 “(A) the floodplain easement authorities
5 under section 403 of the Agricultural Credit
6 Act of 1978 (16 U.S.C. 2203), as in effect on
7 the day before the date of enactment of this
8 section; and

9 “(B) this subchapter, as in effect on the
10 day before the date of enactment of this sec-
11 tion; and

12 “(2) to use for those purposes—

13 “(A) any funds made available to carry out
14 those programs; and

15 “(B) as the Secretary determines to be
16 necessary, any funds made available to carry
17 out this subchapter, as amended by **【the 2007**
18 *Farm Bill***】**.

19 “(b) TERMINATION OF AUTHORITY.—The authority
20 of the Secretary to carry out subsection (a), and the au-
21 thority for the programs described in subparagraphs (A)
22 and (B) of subsection (a)(1), shall terminate on the effec-
23 tive date of the final regulations implementing the amend-
24 ments to this subchapter made by **【the 2007 Farm Bill**】.

1 **“SEC. 1237H. PERIOD OF EFFECTIVENESS.**

2 “Except as provided in section 1237G, this sub-
3 chapter shall be in effect for the period of fiscal years
4 2008 through **[2013]**.”.

5 (h) CONFORMING AMENDMENT.—Effective on the ef-
6 fective date of final regulations to implement the wetland
7 reserve program under subchapter C of chapter 1 of sub-
8 title D of title XII of the Food Security Act of 1985 (16
9 U.S.C. 3837 et seq.) (as amended by this section), section
10 403 of the Agricultural Credit Act of 1978 (16 U.S.C.
11 2203) is repealed.

12 **CHAPTER 2—CONSERVATION SECURITY**
13 **AND FARMLAND PROTECTION**
14 **Subchapter A—Conservation Security**

15 **SEC. 2331. CONSERVATION SECURITY PROGRAM.**

16 Section 1238C of title XII of the Food Security Act
17 of 1985 (16 U.S.C. 3838c) is amended by adding at the
18 end the following:

19 “(h) PERIOD OF EFFECTIVENESS.—

20 “(1) IN GENERAL.—Except as provided in para-
21 graph (2), this subchapter shall not be in effect dur-
22 ing the period of effectiveness of the comprehensive
23 stewardship incentives program established under
24 subchapter A of chapter 6.

1 “(2) EXISTING CONSERVATION SECURITY CON-
2 TRACT.—During the period described in paragraph
3 (1)—

4 “(A) this subchapter shall continue to
5 apply to conservation security contracts entered
6 into before that date; and

7 “(B) the Secretary shall continue to make
8 payments under this subchapter with respect to
9 conservation security contracts described in
10 subparagraph (A) during the term of the con-
11 tracts.

12 “(3) PROHIBITION ON NEW CONTRACTS.—A
13 conservation security contract may not be entered
14 into or renewed under this subchapter during the pe-
15 riod beginning on the date of the enactment of this
16 subsection and ending on September 30, 2016.”.

17 **Subchapter B—Farmland and Ranch Land**
18 **Protection**

19 **SEC. 2341. FARMLAND PROTECTION PROGRAM AND RANCH**
20 **LAND PROTECTION PROGRAM.**

21 (a) IN GENERAL.—Chapter 2 of subtitle D of title
22 XII the Food Security Act of 1985 (16 U.S.C. 3838 et
23 seq.) is amended by adding at the end the following:

1 **“Subchapter D—Farmland Protection Pro-**
2 **gram and Ranch Land Protection Pro-**
3 **gram**

4 **“SEC. 1238R. DEFINITIONS.**

5 “In this subchapter:

6 “(1) ELIGIBLE ENTITY.—The term ‘eligible en-
7 tity’ means—

8 “(A) any agency of any State or local gov-
9 ernment or an Indian tribe (including a farm-
10 land protection board or land resource council
11 established under State law); or

12 “(B) any organization that—

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

20 “(ii) is an organization described in
21 section 501(c)(3) of that Code that is ex-
22 empt from taxation under section 501(a)
23 of that Code;

24 “(iii) is described in section 509(a)(2)
25 of that Code; or

1 “(iv) is described in section 509(a)(3),
2 and is operated, supervised, or controlled
3 by an organization described in section
4 509(a)(2), of that Code.

5 “(2) ELIGIBLE LAND.—The term ‘eligible land’
6 means private farmland, ranch land, or forest land
7 incidental to an operation—

8 “(A) that, in the case of the farmland pro-
9 tection section—

10 “(i)(I) has prime, unique, or other
11 productive soil; or

12 “(II) contains historical or archae-
13 ological resources; and

14 “(ii) includes, on a farm or ranch—

15 “(I) cropland;

16 “(II) range land;

17 “(III) grassland;

18 “(IV) pasture land; and

19 “(V) forest land that is an inci-
20 dental part of an agricultural oper-
21 ation, as determined by the Secretary;
22 and

23 “(B) in the case of the ranch land protec-
24 tion section—

1 “(i) that is grassland, land that con-
2 tains forbs, or shrub land (including im-
3 proved rangeland and pastureland) for
4 which grazing is the predominant use;

5 “(ii) that is located in an area that
6 has been historically dominated by grass-
7 land, forbs, or shrub land, and the land po-
8 tentially could provide habitat for animal
9 or plant populations of significant ecologi-
10 cal value if the land is—

11 “(I) retained in the current use
12 of the land; or

13 “(II) restored to a natural condi-
14 tion; or

15 “(iii) the enrollment of which would
16 protect, restore, or enhance species habitat,
17 or otherwise measurably increase the likeli-
18 hood of recovery of species that are—

19 “(I) listed as endangered or
20 threatened under section 4 of the En-
21 dangered Species Act of 1973 (16
22 U.S.C. 1533); or

23 “(II) not listed as endangered or
24 threatened under section 4 of the En-

1 dangered Species Act of 1973 (16
2 U.S.C. 1533), but are—

3 “(aa) candidates for a list-
4 ing as endangered or threatened;

5 “(bb) a State-listed species;
6 or

7 “(cc) named as a special
8 concern species, as determined by
9 the Secretary; or

10 “(C) that is incidental to land described in
11 subparagraphs (A) and (B), if the incidental
12 land is determined by the Secretary to be nec-
13 essary for the efficient administration of an
14 agreement or conservation easement.

15 “(3) INDIAN TRIBE.—The term ‘Indian tribe’
16 has the meaning given the term in section 4 of the
17 Indian Self-Determination and Education Assistance
18 Act (25 U.S.C. 450b).

19 “(4) PERMANENT CONSERVATION EASEMENT.—
20 The term ‘permanent conservation easement’ means
21 a conservation easement that is—

22 “(A) a permanent easement; or

23 “(B) in a State that imposes a maximum
24 duration for easements, an easement for the
25 maximum duration allowed under State law.

1 “(5) PROGRAM.—The term ‘program’ means—

2 “(A) the farmland protection section estab-
3 lished under section 1238S(b); and

4 “(B) the ranch land protection section es-
5 tablished under section 1238S(e).

6 “(6) SECRETARY.—The term ‘Secretary’ means
7 the Secretary, acting through the Chief of the Nat-
8 ural Resources Conservation Service.

9 **“SEC. 1238S. FARMLAND AND RANCH LAND PROTECTION.**

10 “(a) IN GENERAL.—The Secretary shall establish
11 and carry out a farmland and ranch land protection pro-
12 gram.

13 “(b) FARMLAND PROTECTION SECTION.—In car-
14 rying out the farmland protection section of the program,
15 the Secretary shall enter into cooperative agreements with
16 eligible entities for the eligible entities to purchase perma-
17 nent conservation easements or other interests in eligible
18 land for the purpose of protecting topsoil by limiting non-
19 agricultural uses of the land.

20 “(c) RANCH LAND PROTECTION SECTION.—

21 “(1) IN GENERAL.—In carrying out the ranch
22 land protection section of the program, the Secretary
23 shall enter into agreements that emphasize the pres-
24 ervation of large intact landscapes of native and nat-
25 uralized grassland and shrubland—

1 “(A) to protect grassland and shrubland
2 from the threat of conversion;

3 “(B) to support grazing operations; and

4 “(C) to maintain and improve plant and
5 animal biodiversity.

6 “(2) ENROLLMENT OF LAND.—

7 “(A) IN GENERAL.—The Secretary may
8 enroll eligible land in the ranch land protection
9 section through—

10 “(i) a cooperative agreement with an
11 eligible entity; or

12 “(ii) an agreement directly with an
13 owner of eligible land.

14 “(B) OPTIONS.—Eligible land enrolled in
15 the ranch land protection section shall be sub-
16 ject to—

17 “(i) a 30-year contract;

18 “(ii) a 30-year conservation easement;

19 or

20 “(iii) a permanent conservation ease-
21 ment.

22 “(3) ENROLLMENT OF CONSERVATION RE-
23 SERVE.—

24 “(A) IN GENERAL.—Eligible land enrolled
25 in the conservation reserve program established

1 under subchapter B of chapter 1 may be en-
2 rolled into permanent conservation easements
3 under the ranch land protection section if—

4 “(i) the Secretary determines that the
5 eligible land—

6 “(I) is of high ecological value;
7 and

8 “(II) would be under significant
9 threat of conversion to other uses if
10 the conservation reserve program con-
11 tract were terminated; and

12 “(ii) the landowner agrees to the en-
13 rollment.

14 “(B) MAXIMUM ENROLLMENT.—The num-
15 ber of acres of conservation reserve program
16 land enrolled under this paragraph in a cal-
17 endar year shall not exceed 10 percent of the
18 total amount of funds available under para-
19 graphs (4) and (5) of section 1241(a) in that
20 calendar year.

21 “(C) PROHIBITION ON DUPLICATE PAY-
22 MENTS.—Eligible land enrolled in the program
23 shall no longer be eligible for payments under
24 the conservation reserve program.

1 “(d) ASSISTANCE.—The Secretary shall provide pay-
2 ments and technical assistance under the program in ac-
3 cordance with section 1238T.

4 “(e) ACCEPTANCE OF CONTRIBUTIONS.—The Sec-
5 retary may accept and use contributions of non-Federal
6 funds to administer the program.

7 “(f) BIDDING DOWN.—If the Secretary determines
8 that 2 or more applications for the purchase of a conserva-
9 tion easement or other interest in eligible land are com-
10 parable in achieving the purposes of this section, and that
11 those applications achieve the conservation for substan-
12 tially the same cost, the Secretary shall not assign a high-
13 er priority to an application solely on the basis of the pro-
14 ducer accepting the contract for a lesser amount of funds.

15 “(g) CONSERVATION EASEMENT TITLE.—The title
16 holder of a conservation easement obtained under this sub-
17 chapter may be—

18 “(1) the Secretary; or

19 “(2) an eligible entity.

20 **“SEC. 1238T. CONSERVATION EASEMENTS, AGREEMENTS,**
21 **AND DUTIES.**

22 “(a) REQUIREMENTS OF LANDOWNERS.—

23 “(1) IN GENERAL.—To become eligible to enroll
24 eligible land in a program through the grant of a

1 conservation easement, the landowner or eligible en-
2 tity, as applicable, shall—

3 “(A) create and record an appropriate
4 deed restriction in accordance with applicable
5 State law;

6 “(B) provide proof of clear title to the un-
7 derlying fee interest in the eligible land that is
8 subject of the conservation easement;

9 “(C) grant the conservation easement to
10 the Secretary or an eligible entity; and

11 “(D) comply with the terms of the con-
12 servation easement and any associated restora-
13 tion agreement.

14 “(2) RESTORATION AGREEMENTS.—

15 “(A) IN GENERAL.—If a restoration plan
16 is required by the Secretary, the landowner or
17 eligible entity, as applicable, shall—

18 “(i) with the assistance of the Sec-
19 retary, develop a restoration plan;

20 “(ii) provide a written statement of
21 consent to the restoration plan that is
22 signed by persons that hold a security in-
23 terest in the land; and

24 “(iii) implement the restoration plan.

1 “(B) TERMS OF RESTORATION AGREE-
2 MENT.—A restoration plan shall contain—

3 “(i) a statement of the conservation
4 measures and practices that will be under-
5 taken in regard to the eligible land subject
6 to the conservation easement;

7 “(ii) restrictions on the use of the eli-
8 gible land subject to the conservation ease-
9 ment; and

10 “(iii) a statement of the respective du-
11 ties of the Secretary, landowner, and eligi-
12 ble entity, as appropriate.

13 “(C) VIOLATION.—If a violation occurs of
14 the terms or conditions of a conservation ease-
15 ment or restoration agreement entered into
16 under this section—

17 “(i) the conservation easement shall
18 remain in force; and

19 “(ii) the Secretary may require the
20 owner to refund all or part of any pay-
21 ments received by the owner under this
22 subchapter, with interest on the payments
23 as determined appropriate by the Sec-
24 retary.

25 “(b) REQUIREMENTS OF THE SECRETARY.—

1 “(1) PROTECTIONS FOR PERFORMING AP-
2 PROVED PRACTICES.—

3 “(A) IN GENERAL.—In the case of a land-
4 owner or eligible entity that carries out activi-
5 ties and practices approved by the Secretary
6 under this subchapter, and the activities or
7 practices result in a net conservation benefit for
8 a species that is a listed or candidate species
9 under the Endangered Species Act of 1973 (16
10 U.S.C. 1531 et seq.), the Secretary shall co-
11 operate with the Secretary of the Interior and
12 the Secretary of Commerce, as appropriate, to
13 make available to the landowner or eligible enti-
14 ty safe harbor or similar assurances and protec-
15 tion under sections 7(b)(4) and 10(a) of that
16 Act (16 U.S.C. 1536(b)(4), 1539(a)).

17 “(B) IMPLEMENTATION.—If the assur-
18 ances and protection made available under sub-
19 paragraph (A) require the implementation of
20 additional activities or practices under the res-
21 toration plan of the landowner or eligible entity,
22 the cost of implementing the additional activi-
23 ties or practices, and the cost of any permit,
24 shall be considered to be part of the restoration

1 plan for purposes of financial assistance under
2 this subchapter.

3 “(2) RESTORATION AGREEMENTS.—The Sec-
4 retary may provide technical assistance and pay-
5 ments to landowners or eligible entities in complying
6 with the terms and conditions of the conservation
7 easement and restoration plan.

8 “(3) CONSERVATION EASEMENT AND CONTRACT
9 PAYMENTS MADE BY THE SECRETARY.—

10 “(A) PERMANENT CONSERVATION EASE-
11 MENT PAYMENTS.—In return for the granting
12 of a permanent conservation easement by a
13 landowner under this subchapter, the Secretary
14 shall make payments to the landowner in an
15 amount equal to the lesser of—

16 “(i) the appraised fair market value of
17 the conservation easement, as determined
18 in accordance with the method of valuation
19 used by the Secretary as of January 1,
20 2003; and

21 “(ii) 100 percent of the eligible costs
22 of restoration.

23 “(B) 30-YEAR CONSERVATION EASEMENT
24 AND 30-YEAR CONTRACT PAYMENTS.—In return
25 for granting a 30-year conservation easement or

1 a 30-year contract by a landowner under this
2 subchapter, the Secretary shall make payments
3 to the landowner in an amount equal to the
4 lesser of—

5 “(i) 75 percent of the appraised fair
6 market value of the conservation easement;
7 and

8 “(ii) 75 percent of the eligible costs of
9 restoration.

10 “(c) TERMS AND CONDITIONS OF COOPERATIVE
11 AGREEMENTS.—

12 “(1) IN GENERAL.—The Secretary shall estab-
13 lish the terms and conditions of any cooperative
14 agreement entered into under this subchapter under
15 which the eligible entity shall use funds provided by
16 the Secretary.

17 “(2) MINIMUM REQUIREMENTS.—A cooperative
18 agreement shall, at a minimum—

19 “(A) specify the qualification of the eligible
20 entity to carry out the responsibilities of the eli-
21 gible entity under the program, including acqui-
22 sition and management policies and procedures
23 that ensure the long-term integrity of the con-
24 servation easement protections;

1 “(B) subject to subparagraph (C), identify
2 a specific project or a range of projects funded
3 under the agreement;

4 “(C) allow, upon mutual agreement of the
5 parties, substitution of qualified projects that
6 are identified at the time of substitution;

7 “(D) specify the manner in which the eligi-
8 ble entity will evaluate and report the use of
9 funds to the Secretary;

10 “(E) allow the eligible entity flexibility to
11 develop and use terms and conditions for con-
12 servation easements and other purchases of in-
13 terest in eligible land, if the Secretary finds the
14 terms and conditions consistent with the pur-
15 poses of the program and adequate to achieve
16 and permit effective enforcement of the con-
17 servation purposes of the conservation ease-
18 ments or other interests;

19 “(F) require appraisals of acquired inter-
20 ests in eligible land that comply with the Uni-
21 form Standards of Professional Appraisal Prac-
22 tice (in lieu of compliance with the Uniform Ap-
23 praisal Standards for Federal Land Acquisi-
24 tions developed by the Interagency Land Acqui-
25 sition Conference);

1 “(G) limit the share of the Secretary of the
2 cost of purchasing a conservation easement or
3 other interest in eligible land to not more than
4 50 percent of the appraised fair market value
5 of the conservation easement or other interest
6 in eligible land; and

7 “(H) allow an eligible entity to include in
8 the share of the eligible entity of the cost of
9 carrying out responsibilities of the eligible enti-
10 ty under the program a charitable donation
11 made by the private landowner from which the
12 eligible land is to be purchased of not more
13 than 25 percent of the appraised fair market
14 value of the conservation easement or other in-
15 terest in eligible land.

16 “(3) PROTECTION OF FEDERAL INVESTMENT IN
17 FARM AND RANCH LAND PROGRAM.—

18 “(A) IN GENERAL.—In establishing terms
19 and conditions under paragraph (1), the Sec-
20 retary may include a requirement for the inclu-
21 sion of a Federal contingent right of enforce-
22 ment or reversionary interest in a conservation
23 easement or other interest in eligible land for
24 conservation easements purchased with Federal
25 funds.

1 “(B) RELATIONSHIP TO FEDERAL ACQUI-
2 TION OF REAL PROPERTY.—The inclusion of a
3 Federal right or interest described in subpara-
4 graph (A) shall not be considered to be the
5 Federal acquisition of real property, and the
6 Federal standards and procedures for land ac-
7 quisition shall not apply to the inclusion.

8 “(d) CONSERVATION PLAN.—

9 “(1) IN GENERAL.—Any highly erodible crop-
10 land for which a conservation easement or other in-
11 terest in eligible land is purchased under this sub-
12 chapter shall be subject to the requirements of a
13 conservation plan that requires, at the option of the
14 Secretary, the conversion of the cropland to less in-
15 tensive uses.

16 “(2) MORE RESTRICTIVE PLANS ALLOWED.—
17 The Secretary may not prohibit an eligible entity
18 from using a conservation easement or associated
19 conservation plan or restoration plan that prevents
20 a more intensive agricultural use of the land—

21 “(A) to protect the agricultural viability of
22 the land; or

23 “(B) to promote the viability of wildlife.

24 “(e) IMPERVIOUS SURFACE LIMITATION.—

1 “(1) IN GENERAL.—Except as provided in para-
2 graph (2), a conservation easement or other interest
3 in eligible land under a program shall include a limit
4 on the total area of impervious surface on the land
5 of not more than—

6 “(A) 20 percent of the first 10 acres;

7 “(B) 5 percent of the next 90 acres; and

8 “(C) 1 percent of any additional acres.

9 “(2) SUBSTANTIALLY SIMILAR LIMITS AL-
10 LOWED.—The Secretary may allow an eligible entity
11 to use a different limit on impervious surfaces after
12 determination by the Secretary that the different
13 limit offers substantially similar protection of the
14 purposes of the program to the limits described in
15 paragraph (1).

16 “(f) ELIGIBLE ENTITIES ESCROW ACCOUNT.—

17 “(1) IN GENERAL.—Except as provided in para-
18 graph (2), in enrolling acres in the program through
19 an eligible entity, the Secretary shall require the es-
20 tablishment and funding of an escrow account to
21 provide for the monitoring and enforcement of the
22 conservation easement.

23 “(2) EXCEPTION.—Paragraph (1) does not
24 apply to an eligible entity described in section
25 1238R(a)(1).

1 **“SEC. 1238U. MODIFICATION, TRANSFER, OR TERMINATION**
2 **OF CONSERVATION EASEMENT.**

3 “(a) MODIFICATION.—The Secretary may modify a
4 conservation easement acquired from, or a related agree-
5 ment with, an owner or eligible entity under this sub-
6 chapter if—

7 “(1) the owner of the land agrees to the modi-
8 fication; and

9 “(2) the Secretary determines that the modi-
10 fication is desirable—

11 “(A) to carry out this subchapter;

12 “(B) to facilitate the practical administra-
13 tion of this subchapter; or

14 “(C) to achieve such other goals as the
15 Secretary determines are appropriate and con-
16 sistent with this subchapter.

17 “(b) TITLE TRANSFER.—If the Secretary holds sole
18 title to a conservation easement, the Secretary shall trans-
19 fer title of ownership to the conservation easement to an
20 eligible entity to hold and enforce the conservation ease-
21 ment under this subchapter, in lieu of the Secretary, sub-
22 ject to the right of the Secretary to conduct periodic in-
23 spections and enforce the conservation easement, if—

24 “(1) the Secretary determines that granting the
25 transfer would promote protection of eligible land;

1 “(2) the owner authorizes the eligible entity to
2 hold and enforce the conservation easement;

3 “(3) the eligible entity assuming the title agrees
4 to assume the costs incurred in administering and
5 enforcing the conservation easement, including the
6 costs of restoration or rehabilitation of the land as
7 specified by the owner and the eligible entity; and

8 “(4) the eligible entity (other than an eligible
9 entity described in section 1238R(a)(1)), contributes
10 to an escrow account in an amount determined by
11 the Secretary to provide for the monitoring and en-
12 forcement of the conservation easement.

13 “(c) TERMINATION.—

14 “(1) IN GENERAL.—The Secretary may termi-
15 nate a conservation easement under this subchapter
16 if—

17 “(A) the owner of the land agrees to the
18 termination;

19 “(B) the Secretary determines that the ter-
20 mination would be in the public interest;

21 “(C) the owner compensates the Secretary
22 in an amount that is not less than the fair mar-
23 ket value of the land on the date on which the
24 conservation easement was granted; and

1 “(D) the owner reimburses the Secretary
2 for any administrative costs associated with the
3 termination.

4 **“SEC. 1238V. TEMPORARY ADMINISTRATION OF FARMLAND**
5 **PROTECTION PROGRAM AND GRASSLAND**
6 **PROTECTION PROGRAM.**

7 “(a) IN GENERAL.—To ensure that technical assist-
8 ance, cost-share payments, and other payments continue
9 to be administered in an orderly manner until such time
10 as the Secretary promulgates final regulations to imple-
11 ment the programs, during the period beginning on the
12 date of enactment of this section and ending on the termi-
13 nation date provided under subsection (b), the Secretary
14 shall, to the extent the terms and conditions of the pro-
15 grams described in subparagraphs (A) and (B) of para-
16 graph (1) are consistent with this subchapter, continue—

17 “(1) to provide technical assistance, cost-share
18 payments, and other payments under the terms and
19 conditions of—

20 “(A) the grassland reserve program estab-
21 lished under subchapter C, as in effect on the
22 day before the date of enactment of this sub-
23 chapter; and

24 “(B) the farmland protection program es-
25 tablished under subchapter B, as in effect on

1 the day before the date of enactment of this
2 subchapter; and

3 “(2) to use for those purposes—

4 “(A) any funds made available to carry out
5 those programs; and

6 “(B) as the Secretary determines to be
7 necessary, any funds made available to carry
8 out this subchapter.

9 “(b) **TERMINATION OF AUTHORITY.**—The authority
10 of the Secretary to carry out subsection (a) shall terminate
11 on the effective date of final regulations to implement this
12 subchapter.

13 **“SEC. 1238W. PERIOD OF EFFECTIVENESS.**

14 “Except as provided in section 1238V, this sub-
15 chapter shall be in effect for the period of fiscal years
16 2008 through 2013.”.

17 (b) **FUNDING.**—Section 1241(a) of the Food Security
18 Act of 1985 (16 U.S.C. 3841(a)) is amended by striking
19 paragraphs (4) and (5) and inserting the following:

20 “(4) The farmland protection program estab-
21 lished under section 1238S(b), using, to the max-
22 imum extent practicable, \$_____,000,000 for
23 each of fiscal years 2008 through 2020.

24 “(5) The ranch land protection program under
25 section 1238S(c), using, to the maximum extent

1 practicable \$_____,000,000 for each of fiscal
2 years 2008 through 2020.”.

3 (c) CONFORMING AMENDMENTS.—

4 (1) Effective on the effective date of final regu-
5 lations to implement the farmland protection pro-
6 gram and ranch land protection program under sub-
7 chapter D of chapter 2 of subtitle D of title XII the
8 Food Security Act of 1985 (as added by subsection
9 (a)), sections 1238H, 1238I, 1238N, 1238O, 1238P,
10 and 1238Q of the Food Security Act of 1985 (16
11 U.S.C. 3838h, 3838i, 3838n, 3838o, 3838p, 3838q)
12 are repealed.

13 (2) FARM VIABILITY PROGRAM.—Subtitle D of
14 title XII of the Food Security Act of 1985 is amend-
15 ed by redesignating section 1238J (16 U.S.C.
16 3838j) as section 1240Q and moving the section so
17 as to appear at the end of chapter 5 of that subtitle.

18 **CHAPTER 3—ENVIRONMENTAL EASEMENT**

19 **PROGRAM**

20 **SEC. 2351. ENVIRONMENTAL EASEMENT PROGRAM.**

21 ***[To be provided]***

1 **CHAPTER 4—ENVIRONMENTAL QUALITY**
2 **INCENTIVES PROGRAM.**

3 **SEC. 2361. PERIOD OF EFFECTIVENESS.**

4 Chapter 4 of subtitle D of title XII of the Food Secu-
5 rity Act of 1985 (16 U.S.C. 3839aa et seq.) is amended
6 by adding at the end the following:

7 **“SEC. 1240J. PERIOD OF EFFECTIVENESS.**

8 “(a) **IN GENERAL.**—Except as provided in paragraph
9 (2), this chapter shall not be in effect during the period
10 of effectiveness of the comprehensive stewardship incen-
11 tives program established under subchapter A of chapter
12 6.

13 “(b) **EXISTING CONTRACTS.**—During the period de-
14 scribed in paragraph (1)—

15 “(1) this chapter shall continue to apply to con-
16 tract entered into under this chapter before that
17 date; and

18 “(2) the Secretary may continue to make pay-
19 ments under this chapter, as so in effect, with re-
20 spect to contracts described in subparagraph (A)
21 during the term of the contracts.

22 “(c) **PROHIBITION ON NEW CONTRACTS.**—A contract
23 may not be entered into or renewed under this chapter
24 during the period beginning on the date of enactment of
25 this section and ending on September 30, 2016.”.

1 **CHAPTER 5—ENVIRONMENTAL QUALITY**
2 **AND STEWARDSHIP**

3 **SEC. 2371. ENVIRONMENTAL QUALITY AND STEWARDSHIP.**

4 Subtitle D of title XII of the Food Security Act of
5 1985 (16 U.S.C. 3830 et seq.) is amended by adding at
6 the end the following:

7 **“CHAPTER 6—ENVIRONMENTAL QUALITY**
8 **AND STEWARDSHIP**

9 **“Subchapter A—Comprehensive Stewardship**
10 **Incentives Program**

11 **“SEC. 1240AA. PURPOSES AND DEFINITIONS.**

12 “(a) PURPOSES.—The purposes of the comprehensive
13 stewardship incentives program established by this chap-
14 ter are to promote agricultural production and environ-
15 mental quality as compatible goals and to optimize envi-
16 ronmental benefits by assisting producers—

17 “(1) to promote conservation and improvement
18 of the quality and quantity of soil, water, air, en-
19 ergy, fish, wildlife, and pollinator habitat, and plant,
20 fish, and animal life, by providing flexible assistance
21 to install, improve, and maintain conservation prac-
22 tices;

23 “(2) to encourage both progressive and com-
24 prehensive conservation planning;

1 “(3) to progressively address specific resource
2 needs and problems as well as moving toward com-
3 prehensive solutions to resource and environmental
4 problems;

5 “(4) to proactively meet environmental criteria
6 established by Federal, State, tribal, and local agen-
7 cies concerning—

8 “(A) soil, water, and air quality;

9 “(B) fish and wildlife habitat;

10 “(C) surface and ground water conserva-
11 tion;

12 “(5) to make resource-conserving, cost-effective
13 changes to cropping systems (including organic
14 farming, specialty crops, and precision agriculture),
15 grazing management systems, nutrient management
16 associated with livestock and crops, forest manage-
17 ment, integrated pest management, irrigation man-
18 agement, invasive species management, energy con-
19 servation, or other management-intensive conserva-
20 tion practices and systems on agricultural land;

21 “(6) to transition to environmentally-beneficial
22 farming systems for which value-added markets
23 exist;

1 “(7) to provide publicly-valued ecosystem serv-
2 ices by evaluating and continually improving the
3 level of resource management and enhancement;

4 “(8) to improve and maintain grass-based agri-
5 cultural systems;

6 “(9) to access the program through a contin-
7 uous sign-up and streamlined application process for
8 working land conservation; and

9 “(10) to participate in innovative conservation
10 practices and projects, including on-farm research
11 and demonstration.

12 “(b) DEFINITIONS.—In this subchapter:

13 “(1) AGROFORESTRY.—

14 “(A) IN GENERAL.—The term ‘agro-
15 forestry’ means the intentional combination of
16 agriculture and forestry to create integrated
17 and sustainable land-use systems.

18 “(B) INCLUSIONS.—The term ‘agro-
19 forestry’ includes—

20 “(i) alley cropping;

21 “(ii) riparian forest buffers;

22 “(iii) silvopasture;

23 “(iv) windbreaks; and

24 “(v) such other practices and systems
25 as the Secretary may determine.

1 “(2) BASIC CONSERVATION FINANCIAL ASSIST-
2 ANCE.—The term ‘basic conservation financial as-
3 sistance’ means financial assistance provided to a
4 producer under the environmental quality section as
5 described in section 1240BB(b)(1).

6 “(3) BEGINNING FARMER OR RANCHER.—

7 “(A) IN GENERAL.—The Secretary shall
8 define the term ‘beginning farmer or rancher’.

9 “(B) REQUIREMENTS.—The definition of
10 the term ‘beginning farmer or rancher’ shall—

11 “(i) be based, to the maximum extent
12 practicable, on the definition of the term
13 under section 343(a) of the Consolidated
14 Farm and Rural Development Act (7
15 U.S.C. 1999(a)); and

16 “(ii) include—

17 “(I) a fair and reasonable test of
18 net worth; and

19 “(II) such other criteria as the
20 Secretary determines to be appro-
21 priate.

22 “(4) COMPREHENSIVE CONSERVATION PLAN.—
23 The term ‘comprehensive conservation plan’ means a
24 plan that—

1 “(A) identifies resources of concern, inven-
2 tories resources, and establishes benchmark
3 data and stewardship enhancement objectives;

4 “(B) formulates and evaluates alternative
5 approaches to meeting and exceeding the appli-
6 cable stewardship thresholds;

7 “(C) selects among the alternatives and de-
8 tails the particular conservation systems, prac-
9 tices, activities, and management measures to
10 be implemented, maintained, or improved that
11 will enable a producer to improve and sustain
12 the condition of all applicable resources of con-
13 cern;

14 “(D) contains a schedule for the planning,
15 installation, maintenance, and management of
16 new conservation systems, practices, activities,
17 and management measures and the mainte-
18 nance, management, and improvement of exist-
19 ing conservation systems, practices, activities,
20 and management measures; and

21 “(E) contains a description and schedule
22 for on-farm activities to assess and evaluate the
23 conservation systems, practices, activities, and
24 management measures described in the com-
25 prehensive conservation plan.

1 “(5) **CONTRACT OFFER.**—The term ‘contract
2 offer’ means an application submitted by a producer
3 that includes—

4 “(A) an assessment of current conditions
5 for 1 or more priority resources of concern;

6 “(B) a proposal for new conservation sys-
7 tems, practices, activities, or management
8 measures;

9 “(C) in the case of an offer for a steward-
10 ship contract, a proposal to increase, over the
11 term of the stewardship contract, the level of
12 performance on all applicable resource-specific
13 indices or the level of management intensity
14 with which the producer is addressing the pri-
15 ority resources of concern; and

16 “(D) such other information as the Sec-
17 retary may require.

18 “(6) **ELIGIBLE LAND.**—The term ‘eligible land’
19 means land described in section 1240CC(b).

20 “(7) **ENVIRONMENTAL QUALITY CONTRACT.**—
21 The term ‘environmental quality contract’ means a
22 contract entered into by the Secretary and a pro-
23 ducer under this subchapter to carry out the pro-
24 gram described in section 1240BB(b)(1).

1 “(8) INDEX OF MANAGEMENT INTENSITY.—The
2 term ‘index of management intensity’ means an
3 index that describes and characterizes the degree,
4 scope, and comprehensiveness with which a priority
5 resource of concern is addressed by evaluating the
6 number, type, and extent of conservation practices
7 and activities employed by a producer.

8 “(9) INDEX OF RESOURCE CONDITION.—The
9 term ‘index of resource condition’ means an index
10 that predicts, based on the number, type, and extent
11 of conservation practices and activities employed by
12 a producer, or measures the change in condition or
13 quality of, soil, water, or plant and animal life re-
14 sources of concern.

15 “(10) LAND MANAGEMENT PRACTICE.—The
16 term ‘land management practice’ means a site-spe-
17 cific nutrient or manure management, integrated
18 pest management, irrigation management, tillage or
19 residue management, resource-conserving crop rota-
20 tion, fish and wildlife habitat protection and im-
21 provement, specialty crop management practice,
22 grazing management, air quality management, preci-
23 sion agriculture, forest management, or other land
24 management practice carried out on eligible land
25 that the Secretary determines is needed to protect or

1 improve, in the most cost-effective manner, water,
2 soil, or related resources.

3 “(11) LIVESTOCK.—The term ‘livestock’ means
4 dairy cattle, beef cattle, laying hens, broilers, tur-
5 keys, swine, sheep, and other such animals and fish
6 as are determined by the Secretary.

7 “(12) MANAGEMENT INTENSITY.—The term
8 ‘management intensity’ means the degree, scope,
9 and comprehensiveness of conservation systems,
10 practices, activities, or management measures taken
11 by a producer to address a priority resource of con-
12 cern to a level that improves the condition and sus-
13 tainability of the resource.

14 “(13) NET COST.—The term ‘net cost’ means—

15 “(A) the costs incurred by a producer asso-
16 ciated with materials, installation, labor, man-
17 agement, maintenance, risk, and such other
18 cost factors as the Secretary determines to be
19 appropriate; and

20 “(B) the income forgone by the producer.

21 “(14) PAYMENT.—The term ‘payment’ means
22 compensation for net cost.

23 “(15) PLANT AND ANIMAL LIFE RESOURCE OF
24 CONCERN.—

1 “(A) IN GENERAL.—The term ‘plant and
2 animal life resource of concern’ means a re-
3 source concern relating to fish and wildlife habi-
4 tat, biodiversity, plant and animal germplasm
5 conservation, animal well-being, pollinator pro-
6 tection and enhancement, noxious and invasive
7 species management, and such other similar re-
8 source concerns as the Secretary may establish.

9 “(B) EXCLUSIONS.—The term ‘plant and
10 animal life resource of concern’ does not include
11 any resource concern that relates primarily to
12 productivity rather than conservation and envi-
13 ronmental benefit.

14 “(16) PRACTICE.—The term ‘practice’ means 1
15 or more structural practices, vegetative practices,
16 management practices, or comprehensive nutrient
17 management planning practices.

18 “(17) PRIORITY RESOURCE OF CONCERN.—The
19 term ‘priority resource of concern’ means a specific
20 and distinct natural resource or environmental con-
21 cern, impairment, or problem that prevents the at-
22 tainment and exceedance of the stewardship thresh-
23 old relating to soil, water, air, energy, or plant and
24 animal life identified by the Secretary, with respect
25 to a particular watershed or other appropriate re-

1 gion or area within a State that must be addressed
2 by participants in the comprehensive stewardship in-
3 centives program in the particular watershed or
4 other appropriate region or area within the State.

5 “(18) PRODUCER.—The term ‘producer’
6 means—

7 “(A) an individual who derives income
8 from, and who controls, the production or man-
9 agement of an agricultural commodity or live-
10 stock regardless of ownership; and

11 “(B) an individual who is an owner, oper-
12 ator, landlord, tenant, or sharecropper that—

13 “(i) shares in the risk of producing
14 any crop or livestock; or

15 “(ii) is entitled to share in the crop or
16 livestock available for marketing from a
17 farm (or would have shared had the crop
18 or livestock been produced).

19 “(19) PROGRAM.—The term ‘program’ means
20 the comprehensive stewardship incentives program
21 established under this subchapter.

22 “(20) PROGRESSIVE CONSERVATION PLAN.—
23 The term ‘progressive conservation plan’ means a
24 plan that—

1 “(A) identifies 1 or more resources of con-
2 cern, inventories resources, and establishes
3 benchmark data and conservation objectives;

4 “(B) formulates and evaluates alternative
5 approaches to meeting the identified resource
6 needs;

7 “(C) selects among the alternatives and de-
8 tails the particular conservation systems, prac-
9 tices, activities, and management measures to
10 be implemented, maintained, or improved that
11 will enable a producer to address the identified
12 resources of concern;

13 “(D) contains a schedule for the planning,
14 installation, maintenance, and management of
15 new conservation systems, practices, activities,
16 and management measures and, if applicable,
17 the maintenance, management, and improve-
18 ment of existing conservation systems, prac-
19 tices, activities, and management measures; and

20 “(E) contains a description and schedule
21 for on-farm activities to assess and evaluate the
22 conservation systems, practices, activities, and
23 management measures described in the progres-
24 sive conservation plan.

1 “(21) RESOURCE-CONSERVING CROP ROTA-
2 TION.—The term ‘resource-conserving crop rotation’
3 means a crop rotation that—

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

6 “(B) reduces erosion;

7 “(C) improves soil fertility and tilth;

8 “(D) interrupts pest cycles; and

9 “(E) in applicable areas, reduces depletion
10 of soil moisture (or otherwise reduces the need
11 for irrigation).

12 “(22) RESOURCE-SPECIFIC INDEX.—The term
13 ‘resource-specific index’ means an index of manage-
14 ment intensity, an index of resource condition, or
15 another similar index developed by the Secretary
16 that estimates the expected level of resource and en-
17 vironmental outcomes of the conservation systems,
18 practices, activities, and management measures em-
19 ployed by a producer to address a priority resource
20 of concern on an agricultural operation, for purposes
21 of determining eligibility and payments for partici-
22 pants in the program under this subchapter.

23 “(23) SOCIALLY DISADVANTAGED FARMER OR
24 RANCHER.—The term ‘socially disadvantaged farmer
25 or rancher’ has the meaning given the term in sec-

1 tion 355(e) of the Consolidated Farm and Rural De-
2 velopment Act (7 U.S.C. 2003(e)).

3 “(24) STEWARDSHIP CONTRACT.—The term
4 ‘stewardship contract’ means a contract entered into
5 by the Secretary and a producer under this sub-
6 chapter to carry out the program described in
7 1240BB(b)(2).

8 “(25) STEWARDSHIP ENHANCEMENT PAY-
9 MENT.—The term ‘stewardship enhancement pay-
10 ment’ means a payment provided to a producer
11 under the stewardship contract as described in sec-
12 tion 1240BB(b)(2).

13 “(26) STEWARDSHIP THRESHOLD.—The term
14 ‘stewardship threshold’ means the level of natural
15 resource conservation and environmental manage-
16 ment required to protect, improve, and sustain the
17 status and condition of natural and environmental
18 resources to a level that, as determined by the Sec-
19 retary—

20 “(A) prevents impairment and degradation
21 of soil, water, air, energy, or plant and animal
22 life resources;

23 “(B) conserves, sustains, and regenerates
24 agricultural and natural resources; and

1 “(C) reflects, as applicable, the resource
2 management system quality criteria described
3 in handbooks of the Natural Resources Con-
4 servation Service.

5 “(27) STRUCTURAL PRACTICE.—The term
6 ‘structural practice’ means—

7 “(A) the establishment on eligible land of
8 a site-specific, constructed conservation practice
9 or vegetative practice that is integrated with
10 and essential to the successful implementation
11 of the system of land management practices
12 and activities that are the basis of a steward-
13 ship contract;

14 “(B) the establishment on eligible land of
15 a site-specific animal waste management facil-
16 ity, terrace, grassed waterway, contour grass
17 strip, filterstrip, tailwater pit, fish and wildlife
18 habitat, constructed wetland, or other struc-
19 tural practice that the Secretary determines is
20 needed to improve and sustain, in the most
21 cost-effective manner, water, soil, or related re-
22 sources; and

23 “(C) the capping of abandoned wells on eli-
24 gible land.

1 **“SEC. 1240BB. ESTABLISHMENT.**

2 “(a) IN GENERAL.—The Secretary shall establish
3 and, for each of fiscal years 2008 through 2013, carry
4 out a comprehensive stewardship incentives program to as-
5 sist producers in improving environmental quality by ad-
6 dressing priority resources of concern in a comprehensive
7 manner through—

8 “(1) the addition of new conservation systems,
9 practices, activities, and management measures; and

10 “(2) the maintenance and improvement of con-
11 servation systems, practices, activities, and manage-
12 ment measures.

13 “(b) COMPONENTS OF PROGRAM.—The program
14 shall consist of—

15 “(1) an environmental quality section, under
16 which a producer may receive basic conservation fi-
17 nancial assistance in the form of cost-share pay-
18 ments, incentive payments, and other payments de-
19 scribed in this subchapter; and

20 “(2) a stewardship section, under which a pro-
21 ducer may receive stewardship enhancement pay-
22 ments.

23 “(c) TECHNICAL ASSISTANCE.—At the option of a
24 producer eligible to receive basic conservation financial as-
25 sistance or stewardship enhancement payments under the
26 program, the Secretary may, at the option of a producer

1 participating under the program, use the basic conserva-
2 tion assistance funds to directly contract with an approved
3 third party under section 1242(a)(2) to provide technical
4 assistance to the producer under the program.

5 **“SEC. 1240CC. ELIGIBILITY.**

6 “(a) ELIGIBLE PRODUCERS.—To be eligible to par-
7 ticipate in the comprehensive stewardship incentives pro-
8 gram, a producer shall—

9 “(1)(A) submit to the Secretary for approval an
10 offer to participate in the program;

11 “(B) receive technical services, either directly
12 from the Secretary or, at the option of the producer,
13 from an approved third party under section
14 1242(a)(2); and

15 “(C) enter into a contract with the Secretary;
16 and

17 “(2) to participate in the stewardship section of
18 the program—

19 “(A) demonstrate to the satisfaction of the
20 Secretary that the producer—

21 “(i) is addressing at least 1 priority
22 resource of concern to at least the steward-
23 ship threshold;

24 “(ii) is addressing, as applicable, air
25 quality, water quality, water quantity, soil

1 quality, and fish and wildlife habitat re-
2 source concerns to a level that benefits the
3 environment as determined by the Sec-
4 retary; and

5 “(iii) has a practical and achievable
6 plan for meeting and exceeding the stew-
7 ardship threshold for all priority resources
8 of concern by the end of the comprehensive
9 stewardship contract through—

10 “(I) the installation and adoption
11 of new conservation systems, prac-
12 tices, activities, or management meas-
13 ures; and

14 “(II) the improvement of con-
15 servation systems, practices, activities,
16 and management measures in place at
17 the operation of the producer at the
18 time the contract offer is accepted by
19 the Secretary.

20 “(b) ELIGIBLE LAND.—

21 “(1) IN GENERAL.—Except as provided in para-
22 graph (3), private agricultural land including crop-
23 land (including vineyards and orchards), pasture
24 land, rangeland, land used for agroforestry, land
25 used for aquaculture, land adjacent to streams and

1 rivers, and land under the jurisdiction of an Indian
2 tribe (as defined by the Secretary), shall be eligible
3 for enrollment in the program.

4 “(2) SPECIAL TREATMENT OF FOREST LAND.—

5 A producer that implements a practice on forest
6 land under the environmental quality section of the
7 program shall be eligible to receive cost-share and
8 incentive payments for that implementation.

9 “(3) EXCLUSIONS.—

10 “(A) LAND ENROLLED IN OTHER CON-
11 SERVATION PROGRAMS.—Except as provided in
12 section 1240DD(c)(2), the following land is not
13 eligible for enrollment in the program:

14 “(i) Land enrolled in the conservation
15 reserve program under subchapter B of
16 chapter 1.

17 “(ii) Land enrolled in the wetland re-
18 serve program established under sub-
19 chapter C of chapter 1, except land en-
20 rolled under section 1237(c)(3) or
21 1237A(b)(2).

22 “(B) CONVERSION TO CROPLAND.—Land
23 used for crop production after May 13, 2002,
24 that had not been planted, considered to be
25 planted, or devoted to crop production for at

1 least 4 of the 6 years preceding that date (ex-
2 cept for land enrolled in the conservation re-
3 serve program or that has been maintained
4 using long-term crop rotation practices, as de-
5 termined by the Secretary) shall not be the
6 basis for any payment under the program.

7 “(4) ECONOMIC USES.—With respect to eligible
8 land covered by a stewardship contract, the Sec-
9 retary shall permit economic uses of the land that—

10 “(A) maintain the agricultural nature of
11 the land; and

12 “(B) are consistent with the conservation
13 purposes of the stewardship section of the pro-
14 gram.

15 “(c) SPECIAL RULES.—

16 “(1) WATER CONSERVATION AND WATER SAV-
17 INGS.—

18 “(A) WATER CONSERVATION.—In carrying
19 out the program under this chapter, the Sec-
20 retary shall promote ground and surface water
21 conservation by providing enhancement pay-
22 ments, cost-share payments, and incentive pay-
23 ments to producers to carry out eligible water
24 conservation activities with respect to the agri-
25 cultural operations of producers—

1 “(i) to improve irrigation systems;

2 “(ii) to enhance irrigation efficiencies;

3 “(iii) to convert to—

4 “(I) the production of less water-
5 intensive agricultural commodities; or

6 “(II) dryland farming;

7 “(iv) to improve the storage of water
8 through measures such as water banking
9 and groundwater recharge;

10 “(v) to mitigate the effects of
11 drought; or

12 “(vi) to institute other measures that
13 improve groundwater and surface water
14 conservation, as determined by the Sec-
15 retary, in the agricultural operations of
16 producers.

17 “(B) WATER SAVINGS.—For practices pri-
18 marily intended to conserve water, the Sec-
19 retary may provide assistance to a producer
20 under this section only if the Secretary deter-
21 mines that—

22 “(i) the practice results in a minimum
23 reduction of at least 15 percent in the total
24 consumptive use of ground water or sur-

1 face water resources affected by the prac-
2 tice; and

3 “(ii) any saved water remains in the
4 source for the useful life of the conserva-
5 tion measure applied.

6 “(2) INVASIVE SPECIES.—In carrying out the
7 program under this chapter, to the maximum extent
8 practicable, the Secretary shall only allow practices
9 compatible with the goal of reducing invasive spe-
10 cies.

11 **“SEC. 1240DD. CONTRACTS.**

12 “(a) CONTRACT PROVISIONS.—

13 “(1) IN GENERAL.—After a determination by
14 the Secretary that a producer is eligible to partici-
15 pate in the program, and on acceptance of the con-
16 tract offer of the producer, the Secretary shall enter
17 into a contract with the producer to enroll the land
18 to be covered by the contract.

19 “(2) CONTRACT PROVISIONS.—A contract en-
20 tered into under paragraph (1) shall—

21 “(A) describe the land covered by the con-
22 tract;

23 “(B) describe the structural practices, land
24 management practices, and comprehensive nu-
25 trient management plans, or technical assist-

1 ance from an approved third party, to be imple-
2 mented on eligible land of the producer;

3 “(C) if applicable, describe the on-farm ac-
4 tivities the producer agrees to undertake to as-
5 sess and evaluate a progressive or comprehen-
6 sive plan or systems, practices, activities, and
7 management measures during the term of the
8 contract;

9 “(D) state the amount of financial assist-
10 ance (determined in accordance with section
11 1240EE) the Secretary agrees to make to the
12 producer each year of the contract; and

13 “(E) include such other provisions as the
14 Secretary determines are necessary to ensure
15 that the purposes of the program are met.

16 “(3) **ADDITIONAL STEWARDSHIP CONTRACT**
17 **PROVISIONS.**—In addition to the provisions described
18 in paragraph (2), a stewardship contract shall—

19 “(A) describe existing conservation sys-
20 tems, practices, activities, and management
21 measures the producer agrees to maintain,
22 manage, and improve during the term of the
23 stewardship contract in order to meet and ex-
24 ceed the appropriate stewardship threshold for
25 the priority resources of concern;

1 “(A) allow the producer to retain payments
2 already received under the contract if—

3 “(i) the producer has complied with
4 the terms and conditions of the contract;
5 and

6 “(ii) the Secretary determines that al-
7 lowing the producer to retain the payments
8 is consistent with the purposes of the pro-
9 gram;

10 “(B) require repayment in part or in whole
11 of payments already received; and

12 “(C) assess liquidated damages if doing so
13 is consistent with the purposes of the program.

14 “(3) TRANSFER OR CHANGE OF INTEREST IN
15 LAND SUBJECT TO A CONTRACT.—

16 “(A) IN GENERAL.—Except as provided in
17 subparagraph (B), the transfer, or change in
18 the interest, of a producer in land subject to a
19 contract under this subchapter shall result in
20 the termination of the contract.

21 “(B) TRANSFER OF DUTIES AND
22 RIGHTS.—Subparagraph (A) shall not apply if,
23 within a reasonable period of time (as deter-
24 mined by the Secretary) after the date of the
25 transfer or change in the interest in land, the

1 transferee of the land provides written notice to
2 the Secretary that all duties and rights under
3 the contract have been transferred to, and as-
4 sumed by, the transferee.

5 “(c) MODIFICATION.—

6 “(1) IN GENERAL.—The Secretary may allow a
7 producer to modify a contract before the expiration
8 of the contract if the Secretary determines that fail-
9 ure to modify the contract would significantly inter-
10 fere with achieving the purposes of the program.

11 “(2) PARTICIPATION IN OTHER PROGRAMS.—If
12 appropriate payment reductions and other adjust-
13 ments (as determined by the Secretary) are made to
14 the contract of a producer, the producer may—

15 “(A) simultaneously participate in—

16 “(i) the conservation reserve program
17 under subchapter B of chapter 1;

18 “(ii) the wetland reserve program es-
19 tablished under subchapter C of chapter 1;

20 and

21 “(iii) other conservation programs as
22 determined by the Secretary; or

23 “(B) remove land enrolled in the steward-
24 ship section of the program for enrollment in
25 the conservation reserve program, wetland re-

1 serve program, or other conservation programs
2 as determined by the Secretary.

3 “(3) CHANGES TO THE AGRICULTURAL OPER-
4 ATION UNDER STEWARDSHIP SECTION.—

5 “(A) IN GENERAL.—The Secretary shall
6 allow a producer to modify a stewardship con-
7 tract before the expiration of the stewardship
8 contract if the agricultural operation of the pro-
9 ducer has reduced or enlarged in size to reflect
10 the new acreage total.

11 “(B) NEW ACREAGE.—With respect to
12 acreage added to the agricultural operation of a
13 producer after entering into a stewardship con-
14 tract, a producer may elect to not add the acre-
15 age to the stewardship contract during the term
16 of the current stewardship contract, except that
17 such additional acreage shall be included in any
18 contract renewal.

19 “(4) CHANGES IN PRODUCTION UNDER STEW-
20 ARDSHIP SECTION.—The Secretary shall allow a pro-
21 ducer to modify a stewardship contract before the
22 expiration of the stewardship contract if—

23 “(A) the producer has a change in produc-
24 tion that requires a change to scheduled con-
25 servation practices and activities; and

1 “(B) the Secretary determines that—

2 “(i) all relevant conservation stand-
3 ards will be maintained or improved; and

4 “(ii) there is no increase in total pay-
5 ment under the stewardship contract.

6 “(d) EFFECT OF NONCOMPLIANCE DUE TO CIR-
7 CUMSTANCES BEYOND THE CONTROL OF PRODUCERS.—

8 The Secretary shall include in each contract a provision
9 to ensure that a producer shall not be considered in viola-
10 tion of the contract for failure to comply with the contract
11 due to circumstances beyond the control of the producer,
12 including a disaster or related weather, pest, disease, or
13 other similar condition, as determined by the Secretary.

14 “(e) TERM.—A contract under this subchapter shall
15 have a term that—

16 “(1) in the case of the environmental quality
17 section, shall not—

18 “(A) be less than the period beginning on
19 the date on which the contract is entered into
20 and ending on the date that is 1 year after the
21 date on which all practices under the contract
22 have been implemented; and

23 “(B) exceed 5 years; and

24 “(2) in the case of the stewardship section,
25 shall be 5 years.

1 “(f) STEWARDSHIP CONTRACTS.—

2 “(1) AGRICULTURAL OPERATIONS.—All acres of
3 an agricultural operation that are under the effective
4 control of a producer at the time the producer enters
5 into a stewardship contract shall be covered by the
6 stewardship contract.

7 “(2) PRIORITY RESOURCES OF CONCERN.—
8 Each stewardship contract shall, at a minimum, ad-
9 dress the priority resources of concern designated
10 under section 1240GG(c)(1)(A) to a condition that
11 meets and exceeds the stewardship threshold by the
12 end of the term of the stewardship contract.

13 “(3) ON-FARM RESEARCH AND DEMONSTRA-
14 TION OR PILOT TESTING.—The Secretary may ap-
15 prove a stewardship contract that includes—

16 “(A) on-farm conservation research and
17 demonstration activities; and

18 “(B) pilot testing of new technologies or
19 innovative conservation practices.

20 “(4) COORDINATION WITH ORGANIC CERTIFI-
21 CATION.—Not later than 90 days after the date of
22 enactment of this chapter, the Secretary shall estab-
23 lish a transparent and producer-friendly means by
24 which producers may coordinate and simultaneously
25 certify eligibility under a stewardship contract and

1 under the national organic production program es-
2 tablished under the Organic Foods Production Act
3 of 1990 (7 U.S.C. 6501 et seq.).

4 “(5) RENEWAL.—At the end of a stewardship
5 contract of a producer, the Secretary shall allow the
6 producer to renew the stewardship contract for an
7 additional 5-year period if the producer—

8 “(A) demonstrates compliance with the
9 terms of the existing contract, including a dem-
10 onstration that the producer has complied with
11 the schedule for the implementation of new con-
12 servation systems, practices, activities, and
13 management measures included in the steward-
14 ship contract and is addressing the designated
15 priority resources of concern to a level that
16 meets and exceeds the stewardship threshold;
17 and

18 “(B) agrees to implement and maintain
19 such additional new conservation practices and
20 activities as the Secretary determines to be nec-
21 essary and feasible to achieve higher levels of
22 performance on applicable resource-specific in-
23 dices or higher levels of management intensity
24 with which the producer addresses the priority
25 resources of concern.

1 “(g) EVALUATION OF OFFERS.—In evaluating offers
2 made by producers to enter into environmental quality
3 contracts or stewardship contracts, the Secretary shall—

4 “(1) with respect to all contracts—

5 “(A) evaluate the extent to which the an-
6 ticipated environmental benefits from the con-
7 tract would be provided at least cost, relative to
8 other similarly beneficial offers;

9 “(B) prioritize applications based on how
10 effectively and comprehensively the project pro-
11 posed in the application addresses the des-
12 ignated resource concern;

13 “(C) reward higher levels of environmental
14 performance, such as advanced levels of man-
15 agement within land management practices;

16 “(D) develop criteria for use in evaluating
17 applications that will ensure that national,
18 State, and local conservation priorities are ef-
19 fectively addressed;

20 “(E) evaluate the extent to which the envi-
21 ronmental benefits expected to result from the
22 contract complement other conservation efforts
23 in the watershed or region; and

1 “(F) to the maximum extent practicable,
2 ensure that the evaluation process is stream-
3 lined and efficient;

4 “(2) with respect to a proposed environmental
5 quality contract, prioritize applications that—

6 “(A) achieve the stewardship threshold for
7 1 or more resources of concern;

8 “(B) improve environmental performance
9 on existing operations that—

10 “(i) involve operations with substan-
11 tial and sound environmental management
12 systems; and

13 “(ii) seek to further improve the envi-
14 ronmental performance of that system;

15 “(C) minimize the consumption of energy;
16 and

17 “(D) adopt pollution prevention ap-
18 proaches to conservation and environmental
19 protection; and

20 “(3) with respect to a proposed stewardship
21 contract, prioritize applications that—

22 “(A) reflect a high level of conservation
23 treatment on all resources of concern at the
24 time of application based on the initial scores

1 received by the producer on applicable resource-
2 specific indices;

3 “(B) most effectively increase the level of
4 performance on applicable resource-specific in-
5 dices or the level of management intensity with
6 which the producer addresses the designated
7 priority resources of concern;

8 “(C) reflect the extent to which all priority
9 resources of concern exceed the stewardship
10 threshold level;

11 “(D) reflect the extent to which resources
12 of concern in addition to priority resources of
13 concern are addressed to meet and exceed the
14 stewardship threshold level;

15 “(E) reflect the extent to which the pro-
16 ducer proposes to address the recovery of a
17 State- or federally-listed threatened, endan-
18 gered, or candidate species or applicable goals
19 and objectives of the State Comprehensive
20 Wildlife Conservation Strategies or the National
21 Fish Habitat Action Plan;

22 “(F) reflect the multiple natural resource
23 and environmental benefits of conservation-
24 based farming systems, including resource-con-
25 serving crop rotations, managed rotational graz-

1 ing, and the adoption of certified production
2 under the national organic production program
3 established under the Organic Foods Produc-
4 tion Act of 1990 (7 U.S.C. 6501 et seq.); and

5 “(G) include land transitioning out of the
6 conservation reserve program, on the condition
7 that the land is maintained in a grass-based
8 system and in accordance with subparagraph
9 (E).

10 “(h) **SIMULTANEOUS CONTRACTS.**—A producer—

11 “(1) may be a party to an environmental qual-
12 ity contract and a stewardship contract simulta-
13 neously; but

14 “(2) may not be a party to more than 1 envi-
15 ronmental quality contract or 1 stewardship contract
16 simultaneously.

17 **“SEC. 1240EE. PAYMENTS.**

18 “(a) **IN GENERAL.**—In evaluating applications and
19 making payments under this subchapter—

20 “(1) the Secretary shall not assign a higher pri-
21 ority to any application because the applicant is will-
22 ing to accept a lower payment than the applicant
23 would otherwise be entitled to receive;

24 “(2) nothing in this subsection relieves the Sec-
25 retary of the obligation, in evaluating applications

1 for payments, to evaluate and prioritize the applica-
2 tions in accordance with section 1240DD(g)(1);

3 “(3) in determining the eligibility of a conserva-
4 tion system, practice, activity, or management meas-
5 ure for a payment under this subsection, the Sec-
6 retary shall require, to the maximum extent prac-
7 ticable, that the lowest-cost alternatives be used to
8 achieve the purposes of the contract, as determined
9 by the Secretary; and

10 “(4) a payment to a producer shall not be pro-
11 vided for conservation practices and activities for
12 which there is no net cost or loss of income to the
13 producer, as determined by the Secretary.

14 “(b) METHOD OF PAYMENT.—Payments under this
15 subchapter shall be made in such amounts and in accord-
16 ance with such time schedule as is agreed on and specified
17 in the contract.

18 “(c) CONSERVATION PLANNING AND ASSESSMENT
19 PAYMENTS.—The Secretary shall provide a payment to a
20 producer who elects to develop and periodically assess and
21 evaluate a comprehensive conservation plan, or to assess
22 and evaluate conservation systems, practices, activities,
23 and management measures, as part of a contract to com-
24 pensate the producer for the time and cost of that develop-
25 ment and assessment, as determined by the Secretary.

1 “(d) DIRECT ATTRIBUTION AND LIMITATION ON
2 PAYMENTS.—

3 “(1) IN GENERAL.—An individual or entity may
4 not receive, directly or indirectly, payments under
5 this subsection that, in the aggregate, exceed—

6 “(A) \$180,000 for all contracts entered
7 into under the environmental quality section of
8 the program by the individual or entity during
9 any 6-year period (excluding funding arrange-
10 ments with federally recognized Native Amer-
11 ican Indian Tribes or Alaska Native Corpora-
12 tions under section 1240B(h)), regardless of the
13 number of contracts entered into under the en-
14 vironmental quality section of the program by
15 the individual or entity; and

16 “(B) \$180,000 for each contract entered
17 into under the stewardship section of the pro-
18 gram by the individual or entity at any 1 time.

19 “(2) CUMULATIVE EFFECT.—The limitations
20 described in each of subparagraphs (A) and (B) of
21 paragraph (1) are cumulative.

22 “(e) ENVIRONMENTAL QUALITY CONTRACTS.—

23 “(1) COST-SHARE PAYMENTS.—

24 “(A) IN GENERAL.—Except as provided in
25 subparagraph (B), the cost-share payments pro-

1 vided to a producer proposing to implement 1
2 or more practices under the environmental qual-
3 ity section of the program shall equal not more
4 than 75 percent of the cost of the practice, as
5 determined by the Secretary.

6 “(B) EXCEPTIONS.—

7 “(i) SOCIALLY DISADVANTAGED
8 FARMERS OR RANCHERS AND BEGINNING
9 FARMERS OR RANCHERS.—In the case of a
10 socially disadvantaged farmer or rancher
11 or a beginning farmer or rancher, the Sec-
12 retary may increase the amount that would
13 otherwise be provided to the producer
14 under subparagraph (A) to—

15 “(I) not more than 90 percent;

16 and

17 “(II) not less than 15 percent
18 above the otherwise applicable rate.

19 “(ii) COST-SHARE ASSISTANCE FROM
20 OTHER SOURCES.—Except as provided in
21 subparagraph (C), any cost-share pay-
22 ments received by a producer from a Fed-
23 eral agency (other than the Department of
24 Agriculture), State, private organization,
25 or person for the implementation of 1 or

1 more practices on eligible land of the pro-
2 ducer shall be in addition to the payments
3 provided to the producer under subpara-
4 graph (A).

5 “(C) OTHER PAYMENTS.—A producer shall
6 not be eligible for cost-share payments for prac-
7 tices on eligible land under the program if the
8 producer receives cost-share payments or other
9 benefits for the same practice on the same land
10 under another program in the comprehensive
11 conservation enhancement program.

12 “(2) INCENTIVE PAYMENTS.—

13 “(A) IN GENERAL.—The Secretary shall
14 make incentive payments in an amount and at
15 a rate determined by the Secretary in accord-
16 ance with this subsection to be necessary to en-
17 courage a producer—

18 “(i) to adopt 1 or more eligible land
19 management practices;

20 “(ii) to develop a comprehensive nutri-
21 ent management plan, organic farming
22 management or transition plan, specialty
23 crop management plan, forest management
24 plan, rangeland management plan, or fish
25 and wildlife habitat management plan;

1 “(iii) to deter predator species pro-
2 tected under the Endangered Species Act
3 of 1973 (16 U.S.C. 1531 et seq.); or

4 “(iv) to contract for technical services
5 from an approved third party under
6 1242(a)(2).

7 “(B) SPECIAL RULE.—In determining the
8 amount and rate of incentive payments, the
9 Secretary may accord great significance to a
10 practice that promotes the effective manage-
11 ment of residue, nutrients, pests, invasive spe-
12 cies, air quality, fish and wildlife habitat, or
13 pollinator habitat.

14 “(C) RATES.—

15 “(i) IN GENERAL.—The Secretary
16 shall establish different rates for incentive
17 payments to account for variations in the
18 cost of practices and environmental value.

19 “(ii) SCALING.—The amount and rate
20 of incentive payments for a component
21 practice shall be scaled according to the
22 anticipated level of impact of the practice
23 on the priority resource concerns, so that
24 more advanced management practices that

1 yield greater environmental benefit will re-
2 ceive higher payments.

3 “(3) ALLOCATION OF FUNDING.—For each of
4 fiscal years 2007 through 2013, 60 percent of the
5 funds made available for cost-share payments and
6 incentive payments under the environmental quality
7 section shall be targeted at practices relating to live-
8 stock production.

9 “(4) ALLOCATIONS TO STATES.—In making al-
10 locations of funds to States to make cost-share and
11 incentive payments under this subsection, the Sec-
12 retary shall give significant consideration to—

13 “(A) the extent and magnitude of environ-
14 mental problems associated with agricultural
15 production in each State;

16 “(B) the degree to which implementation
17 of the program in the State is or would be ef-
18 fective in helping producers solve identified re-
19 source problems; and

20 “(C) the extent to which a State uses its
21 annual allocation of funds under the environ-
22 mental quality section of the program for the
23 State for special projects or initiatives intended
24 to assist producers in addressing specific re-
25 source challenges in particular locations.

1 “(5) FUNDING FOR FEDERALLY RECOGNIZED
2 INDIAN TRIBES AND ALASKA NATIVE CORPORA-
3 TIONS.—The Secretary may enter into alternative
4 funding arrangements with federally recognized In-
5 dian Tribes and Alaska Native Corporations (includ-
6 ing their affiliated membership organizations) if the
7 Secretary determines that—

8 “(A) the goals and objectives of the envi-
9 ronmental quality section of the program will be
10 met by the arrangements; and

11 “(B) statutory limitations regarding con-
12 tracts with individual producers will not be ex-
13 ceeded by any tribal or Native Corporation
14 member.

15 “(f) STEWARDSHIP CONTRACTS.—

16 “(1) SYSTEMS, PRACTICES, ACTIVITIES, AND
17 MANAGEMENT MEASURES.—

18 “(A) IN GENERAL.—The Secretary shall
19 provide a stewardship enhancement payment to
20 a producer under a stewardship contract, in ac-
21 cordance with the stewardship contract of the
22 producer, to compensate the producer for—

23 “(i) ongoing implementation and
24 maintenance of conservation systems, prac-
25 tices, activities, and management measures

1 in place on the operation of the producer
2 at the time the contract offer of the pro-
3 ducer is accepted; and

4 “(ii) installation and adoption of new
5 conservation systems, practices, activities,
6 and management measures or improve-
7 ments to conservation systems, practices,
8 activities, and management measures in
9 place on the operation of the producer at
10 the time the contract offer is accepted.

11 “(B) ADJUSTMENTS.—A payment under
12 subparagraph (A) shall be adjusted to reflect—

13 “(i) management intensity; or

14 “(ii) resource-specific indices, in a
15 case in which those indices have been de-
16 veloped and implemented.

17 “(C) ON-FARM RESEARCH, DEMONSTRA-
18 TION, AND PILOT PROJECT PAYMENTS.—The
19 Secretary shall provide an additional steward-
20 ship enhancement payment to a producer who
21 opts to participate as part of the stewardship
22 contract in an on-farm conservation research,
23 demonstration, or pilot project certified by the
24 Secretary to compensate the producer for the
25 cost of participation.

1 “(D) RESTRICTION ON STRUCTURAL PRAC-
2 TICES.—For purposes of the stewardship sec-
3 tion, structural practices shall support site-spe-
4 cific management activities that are part of an
5 implemented management system designed to
6 address 1 or more priority resources of concern.

7 “(2) EXCLUSIONS.—A stewardship enhance-
8 ment payment to a producer under this subsection
9 shall not be provided for the design, construction, or
10 maintenance of animal waste storage or treatment
11 facilities or associated waste transport or transfer
12 devices for animal feeding operations.

13 “(3) TIMING OF PAYMENTS.—

14 “(A) IN GENERAL.—The Secretary shall
15 make a stewardship enhancement payment
16 under a stewardship contract as soon as prac-
17 ticable after October 1 of each fiscal year.

18 “(B) NEW SYSTEMS, PRACTICES, ACTIVI-
19 TIES, AND MANAGEMENT MEASURES.—The Sec-
20 retary shall make stewardship enhancement
21 payments to compensate producers for installa-
22 tion and adoption of new conservation systems,
23 practices, activities, and management measures
24 or improvements to conservation systems, prac-

1 tices, activities, and management measures at
2 the time at which—

3 “(i) the contract offer is accepted; and

4 “(ii) as the systems, practices, activi-
5 ties, and measures or improvements are in-
6 stalled and adopted.

7 “(4) RESEARCH, DEMONSTRATION, AND PILOT
8 PROJECT PAYMENT LIMITATIONS.—Notwithstanding
9 subsection (d), an individual or entity may receive
10 stewardship enhancement payments or other pay-
11 ments under a stewardship contract for participation
12 in research, demonstration, and pilot projects that,
13 in the aggregate, do not exceed \$20,000 for the 5-
14 year term of the stewardship contract (excluding
15 funding arrangements with federally recognized Na-
16 tive American Indian Tribes or Alaska Native Cor-
17 porations).

18 “(5) ALLOCATIONS TO STATES.—In making al-
19 locations of acres to States to enroll in the steward-
20 ship section under this subsection, to the maximum
21 extent practicable, the Secretary shall allocate to
22 each State a number of acres equal to the proportion
23 that—

24 “(A) the number of acres of eligible land
25 in the State; bears to

1 “(B) the number of acres of eligible land
2 in all States.

3 **“SEC. 1240FF. DUTIES OF PRODUCERS.**

4 “(a) IN GENERAL.—In order to receive assistance
5 under the program, a producer with a contract under this
6 subchapter shall—

7 “(1) implement the terms of the contract ap-
8 proved by the Secretary;

9 “(2) not conduct any practices on the con-
10 tracted land that would tend to defeat the purposes
11 of the program;

12 “(3) on the violation of a term or condition of
13 the contract at any time the producer has control of
14 the land—

15 “(A) if the Secretary determines that the
16 violation warrants termination of the contract—

17 “(i) forfeit all rights to receive pay-
18 ments under the contract; and

19 “(ii) refund to the Secretary all or a
20 portion of the payments received by the
21 owner or operator under the contract, in-
22 cluding any interest on the payments, as
23 determined by the Secretary;

24 “(B) if the Secretary determines that the
25 violation does not warrant termination of the

1 contract, refund to the Secretary, or accept ad-
2 justments to, the payments provided to the
3 owner or operator, as the Secretary determines
4 to be appropriate; or

5 “(C) comply with a combination of the
6 remedies authorized by subparagraphs (A) and
7 (B), as the Secretary determines to be appro-
8 priate.

9 “(4) on the transfer of the right and interest of
10 the producer in land subject to the contract (unless
11 the transferee of the right and interest agrees with
12 the Secretary to assume all obligations of the con-
13 tract) refund all cost-share payments and incentive
14 payments received under the program, as determined
15 by the Secretary;

16 “(5) supply information as required by the Sec-
17 retary to determine compliance with the contract
18 and requirements of the program; and

19 “(6) comply with such additional provisions as
20 the Secretary determines are necessary to carry out
21 the contract.

22 “(b) SPECIAL RULE FOR ENVIRONMENTAL QUALITY
23 CONTRACTS.—In the case of a confined livestock feeding
24 operation, the producer shall develop and implement a
25 comprehensive nutrient management plan, if applicable.

1 “(c) STEWARDSHIP CONTRACTS.—To receive stew-
2 ardship enhancement payments under the stewardship
3 section of the program, a producer shall agree—

4 “(1) to implement new conservation systems,
5 practices, activities, and management measures and
6 maintain, manage, and improve existing conservation
7 systems, practices, activities, and management meas-
8 ures in order to maintain and improve the level of
9 performance of the producer, as determined by ap-
10 plicable resource-specific indices, or the level of man-
11 agement intensity of the producer with respect to
12 priority resources of concern in order to meet and
13 exceed the stewardship threshold for priority re-
14 sources of concern; and

15 “(2) to maintain, and make available to the
16 Secretary at such times as the Secretary may re-
17 quest, appropriate records showing the effective and
18 timely implementation of the stewardship contract,
19 including periodic reports on current year scores for
20 applicable resource-specific indices.

21 **“SEC. 1240GG. DUTIES OF THE SECRETARY.**

22 “(a) IN GENERAL.—To the extent appropriate, the
23 Secretary shall assist a producer in achieving the con-
24 servation and environmental goals of a contract under this
25 subchapter by—

1 “(1) ensuring, to the maximum extent prac-
2 ticable, that the identification of priority resources
3 of concern is made at the State level for particular
4 watersheds or other appropriate regions or areas
5 within a State;

6 “(2) providing to the producer information and
7 training to aid in implementation of the practices
8 covered by the contract;

9 “(3) developing agreements with governmental
10 agencies, nonprofit organizations, and private enti-
11 ties to facilitate the provision of technical and ad-
12 ministrative assistance and services;

13 “(4) seeking the advice of the appropriate State
14 technical committee and consulting with Federal and
15 State agencies with expertise relating to natural re-
16 sources and environmental quality when designating
17 priority resources of concern;

18 “(5) making the program available to eligible
19 producers on a continuous enrollment basis;

20 “(6) to the maximum extent practicable, when
21 identifying plant and animal life as a priority re-
22 source of concern for a particular watershed or other
23 appropriate region or area within a State, ensuring
24 that the identification—

1 “(A) is specific with respect to particular
2 species or habitat; and

3 “(B) furthers, as determined by the Sec-
4 retary—

5 “(i) the recovery of a State or feder-
6 ally listed threatened, endangered, or can-
7 didate species; or

8 “(ii) the goals and objectives of the
9 State Comprehensive Wildlife Conservation
10 Strategies, the North American Bird Con-
11 servation Initiative or the National Fish
12 Habitat Action Plan that are directly rel-
13 evant to producers in a particular water-
14 shed or other appropriate region or area
15 within the State; and

16 “(7) providing technical assistance for each of
17 fiscal years 2008 through 2013, using amounts in
18 the working land technical assistance fund estab-
19 lished by section 1242(e).

20 “(b) ENVIRONMENTAL QUALITY SECTION.—To the
21 extent appropriate, the Secretary shall assist a producer
22 in achieving the conservation and environmental goals of
23 an environmental quality contract by—

24 “(1) providing basic conservation financial as-
25 sistance, in the form of cost-share payments or in-

1 centive payments, for developing and implementing 1
2 or more practices, as appropriate; and

3 “(2) eliminating, to the maximum extent prac-
4 ticable, duplication of planning activities under the
5 program and comparable conservation and regu-
6 latory programs, including a permit acquired under
7 an approved water or air quality regulatory pro-
8 gram.

9 “(c) STEWARDSHIP SECTION.—

10 “(1) IN GENERAL.—The Secretary shall assist
11 a producer in achieving the conservation and envi-
12 ronmental goals under a stewardship contract by—

13 “(A) identifying not less than 3 nor more
14 than 5 resources of concern as priority re-
15 sources of concern in a particular watershed or
16 other appropriate region or area within a State;

17 “(B) to the maximum extent practicable,
18 developing resource-specific indices for purposes
19 of determining eligibility and payments for par-
20 ticipants in the stewardship section of the pro-
21 gram;

22 “(C) maintaining contract and payment
23 data relating to the stewardship section of the
24 program in a manner that provides detailed and
25 segmented data and allows for quantification of

1 the amount of payments made to producers
2 for—

3 “(i) the maintenance and improve-
4 ment of conservation systems, practices,
5 activities, and management measures in
6 place on the operation of the producer at
7 the time the contract offer is accepted by
8 the Secretary;

9 “(ii) the installation and adoption of
10 new conservation systems, practices, activi-
11 ties, or management measures;

12 “(iii) participation in research, dem-
13 onstration, and pilot projects; and

14 “(iv) the development and periodic as-
15 sessment and evaluation of comprehensive
16 conservation plans.

17 “(2) **ADDITIONAL REQUIREMENTS.**—With re-
18 spect to eligible land of producers participating in
19 the stewardship section of the program, the Sec-
20 retary shall—

21 “(A) to the maximum extent practicable,
22 enroll an additional 15,500,000 acres for each
23 fiscal year;

24 “(B) implement the stewardship section of
25 the program nationwide in every watershed;

1 “(C) to the maximum extent practicable,
2 manage the stewardship section of the program
3 to achieve a national average annual cost per
4 acre of \$19; and

5 “(D) establish a minimum contract value,
6 to ensure equity for small acreage farms, in-
7 cluding specialty crop producers.

8 **“SEC. 1240HH. REGULATIONS.**

9 “Not later than 180 days after the date of enactment
10 of this chapter, the Secretary shall promulgate such regu-
11 lations as are necessary to carry out the program, includ-
12 ing regulations that—

13 “(1) provide for adequate safeguards to protect
14 the interests of tenants and sharecroppers, including
15 provision for sharing payments, on a fair and equi-
16 table basis;

17 “(2) prescribe such other rules as the Secretary
18 determines to be necessary to ensure a fair and rea-
19 sonable application of the program; and

20 “(3) to the maximum extent practicable, elimi-
21 nate duplication of planning activities under the pro-
22 gram and comparable conservation programs.

1 **“SEC. 1240II. PERIOD OF EFFECTIVENESS.**

2 “This subchapter shall be in effect during the period
3 beginning on the date of enactment of this subchapter and
4 ending on September 30, 2016.

5 **“Subchapter B—Other Programs**

6 **“SEC. 1240MM. CONSERVATION INNOVATION GRANTS.**

7 “(a) IN GENERAL.—Under the environmental quality
8 section of the program established under subchapter A,
9 the Secretary shall pay the cost of competitive grants that
10 are intended to stimulate innovative approaches to
11 leveraging Federal investment in environmental enhance-
12 ment and protection, in conjunction with agricultural pro-
13 duction or forest resource management, through the pro-
14 gram.

15 “(b) USE.—The Secretary shall provide grants under
16 this section to governmental and nongovernmental organi-
17 zations and persons, on a competitive basis, to carry out
18 projects that—

19 “(1) involve producers that are eligible for pay-
20 ments or technical assistance under the program;

21 “(2) implement projects, such as—

22 “(A) market systems for pollution reduc-
23 tion;

24 “(B) innovative conservation practices, in-
25 cluding—

26 “(i) the storing of carbon in the soil;

1 “(ii) the mitigation of greenhouse
2 gases; and

3 “(iii) the development of native bio-
4 mass and cellulosic feedstocks;

5 “(C) programs that provide environmental
6 and resource conservation benefits through in-
7 creased participation by specialty crop, forestry,
8 precision agriculture, and organic producers;

9 “(D) fish and wildlife projects that—

10 “(i) assist producers in dealing with
11 threatened and endangered species;

12 “(ii) increase pollinator habitat; and

13 “(iii) address the needs of priority
14 bird species identified in the North Amer-
15 ican Bird Conservation Initiative;

16 “(E) alternative energy projects, such as
17 solar and wind power systems, to reduce green-
18 house gas emissions and reliance on fossil fuels
19 in farm operations;

20 “(F) innovative grazing management ac-
21 tivities, including wildfire presuppression activi-
22 ties and invasive species management; and

23 “(G) innovative approaches to reduce the
24 off-site movement of nutrients, sediments, or
25 pesticides in order to protect water quality and

1 reduce the emissions of air pollutants or odor-
2 causing substances; and

3 “(3) leverage funds made available to carry out
4 the program under this section with matching funds
5 provided by State and local governments and private
6 organizations to promote environmental enhance-
7 ment and protection in conjunction with agricultural
8 production.

9 “(c) COST SHARE.—The amount of a grant made
10 under this section to carry out a project shall not exceed
11 50 percent of the cost of the project.

12 “(d) TECHNOLOGY TRANSFER.—To the maximum
13 extent practicable, the Secretary shall ensure efficient, ef-
14 fective transfer of innovative technologies and approaches
15 demonstrated through projects that receive funding under
16 this section.

17 **“SEC. 1240NN. ORGANIC CONVERSION.**

18 “(a) DEFINITIONS.—

19 “(1) NATIONAL ORGANIC PROGRAM.—The term
20 ‘national organic program’ means the national or-
21 ganic program established under the Organic Foods
22 Production Act of 1990 (7 U.S.C. 6501 et. seq.).

23 “(2) ORGANIC SYSTEM PLAN.—In this section,
24 the term ‘organic system plan’ means an organic
25 plan approved under the national organic program.

1 “(b) ESTABLISHMENT.—Under the environmental
2 quality section of the program established under sub-
3 chapter A, not later than 180 days after the enactment
4 of this section, the Secretary shall establish a program
5 under which the Secretary shall provide cost-share and in-
6 centive payments to producers to promote conservation
7 practices and activities for production systems undergoing
8 conversion on some or all of the operations of the producer
9 to organic production in accordance with the Organic
10 Foods Production Act of 1990 (7 U.S.C. 6501 et seq.).

11 “(c) ORGANIC CONVERSION COST-SHARE AND IN-
12 CENTIVE PAYMENTS.—The Secretary shall provide or-
13 ganic conversion cost-share and incentive payments to pro-
14 ducers that—

15 “(1) are converting to organic production sys-
16 tems, including producers with existing certified or-
17 ganic production for conversion to organic produc-
18 tion of land and livestock not previously certified or-
19 ganic; and

20 “(2) enter into contracts with the Secretary for
21 eligible practices and activities described in sub-
22 section (d).

23 “(d) ELIGIBLE PRACTICES AND ACTIVITIES.—Pro-
24 ducers may use funds made available under subsection (c)
25 for—

1 “(1) conservation management, vegetative, and
2 structural practices and activities during conversion
3 to certified organic production that—

4 “(A) are required by, or consistent with,
5 an approved organic system plan; and

6 “(B) protect soil, water, wildlife, air, and
7 other natural resource concerns as identified by
8 the Secretary;

9 “(2) animal welfare measures required by, or
10 consistent with, an approved organic system plan;

11 “(3) technical assistance, including the costs of
12 developing an approved organic system plan; and

13 “(4) such other measures as the Secretary de-
14 termines to be appropriate and consistent with an
15 approved organic system plan.

16 “(e) ELIGIBLE PRODUCERS.—To be eligible to re-
17 ceive cost-share and incentive payments under this section,
18 producers shall agree—

19 “(1) to develop and carry out conservation and
20 environmental activities that—

21 “(A) are required by, or consistent with,
22 an approved organic system plan; and

23 “(B) protect soil, water, wildlife, air, and
24 other natural resource concerns as identified by
25 the Secretary;

1 “(2) to receive technical and educational assist-
2 ance from the Secretary or from an organization, in-
3 stitute, or consultant with a cooperative agreement
4 with the Secretary relating to—

5 “(A) the development and implementation
6 of conservation practices and activities that are
7 part of an organic system plan; or

8 “(B) other aspects of an organic system
9 plan, including marketing, credit, business, and
10 risk management plans; and

11 “(3) to submit annual verification by a certi-
12 fying entity accredited by the Secretary to determine
13 the compliance of the producer with organic certifi-
14 cation requirements.

15 “(f) **TERM.**—A contract under this section shall have
16 a term of —

17 “(1) not less than 3 years; and

18 “(2) not more than 4 years.

19 “(g) **LIMITATIONS ON PAYMENTS.**—An individual or
20 entity may not receive, directly or indirectly, cost-share or
21 incentive payments under this section—

22 “(1) for a period of more than 4 years; or

23 “(2) that, in the aggregate and exclusive of
24 technical assistance, exceed

25 “(A) \$20,000 per year; or

1 “(B) a total amount of \$80,000.

2 “(h) TERMINATION OF CONTRACTS.—The Secretary
3 may cancel or otherwise nullify a contract entered into
4 under this section if the Secretary determines the pro-
5 ducers are not pursuing organic certification.

6 “(i) LIMITATION ON CONTRACTING.—The Secretary
7 shall not enter into new contracts with producers under
8 this section if, for any particular agricultural commodity,
9 any new contracts would produce an increased amount of
10 that agriculture commodity that the Secretary determines
11 is reasonably anticipated to affect the continuing economic
12 viability of producers already certified under the national
13 organic program.

14 “(j) TECHNICAL AND EDUCATIONAL ASSISTANCE.—
15 To the maximum extent practicable, the Secretary shall
16 balance the funds available for this section so that at least
17 50 percent of the funds made available to carry out this
18 section are used for technical and educational assistance,
19 including competitive cooperative agreements with non-
20 profit organizations, nongovernmental organizations, insti-
21 tutions of higher education, and consultants with dem-
22 onstrated expertise in advising organic producers on estab-
23 lishing and maintaining conservation practices and activi-
24 ties for organic production systems.

1 **“SEC. 124000. ON-FARM ENERGY PRODUCTION.**

2 “(a) IN GENERAL.—Under the environmental quality
3 section of the program established under subchapter A,
4 the Secretary shall promote on-farm energy production by
5 providing cost-share payments to producers that produce
6 energy on the farms or ranches of the producers, includ-
7 ing—

8 “(1) solar energy;

9 “(2) wind energy; and

10 “(3) biofuels produced on-farm.

11 “(b) ELIGIBILITY.—In determining whether to pro-
12 vide cost-share payments to producers under this section,
13 the Secretary shall consider—

14 “(1) the quantity of on-farm energy produced
15 by the producers as compared to the amount of as-
16 sistance provided to the producers;

17 “(2) whether the producers are actively engaged
18 in farming; and

19 “(3) the degree to which the on-farm energy
20 produced by the producers assists the producers in
21 attaining energy self-sufficiency.

22 “(c) REAP INELIGIBILITY.—An individual who re-
23 ceives a grant under section 9006 of the Farm Security
24 and Rural Investment Act of 2002 (7 U.S.C. 8106) shall
25 not be eligible to receive cost-share payments under this
26 section.

1 “(d) LIMITATIONS ON PAYMENTS.—An individual or
2 entity may not receive, directly or indirectly, cost-share
3 payments under this section in excess of \$25,000.

4 **“SEC. 1240PP. WILDFIRE PRESUPPRESSION FUEL MANAGE-**
5 **MENT.**

6 “Under the environmental quality section of the pro-
7 gram established under subchapter A, the Secretary may
8 provide cost-share payments and incentive payments
9 under this section to producers carrying out innovative
10 fuel management conservation plans on private grazing
11 land to help prevent the occurrence and spread of, and
12 damages caused by, wildfires fueled by invasive or noxious
13 weed species, including activities relating to—

14 “(a) managed fuel breaks along a boundary between
15 public and private land to reduce fuel load, including—

16 “(1) managed grazing practices and the tech-
17 nology required to implement those practices;

18 “(2) the use of brush strips or mosaic patches;

19 and

20 “(3) native and adapted grasses and forbs to
21 vegetate or revegetate the fire-damaged areas;

22 “(b) restoration of fire-damage areas using adapted
23 plant material, with an emphasis on native species;

24 “(c) protection or restoration of critical wildlife habi-
25 tat; and

1 “(d) conservation practices designed to reduce and
2 manage high fuel loads associated with woody plant spe-
3 cies.

4 **“SEC. 1240QQ. REGIONAL WATER ENHANCEMENT PRO-**
5 **GRAM.**

6 “(a) DEFINITIONS.—In this section:

7 “(1) PARTNER.—

8 “(A) IN GENERAL.—The term ‘partner’
9 means a person that is eligible to enter into an
10 agreement with the Secretary to conduct a co-
11 ordinated conservation project relating to water
12 quality and water conservation issues on a re-
13 gional scale.

14 “(B) INCLUSIONS.—The term ‘partner’
15 may include—

16 “(i) a State government;

17 “(ii) a federally recognized Indian
18 tribe;

19 “(iii) a nongovernmental organization;

20 “(iv) a unit of local government;

21 “(v) a water district;

22 “(vi) a producer association;

23 “(vii) other persons, as determined by
24 the Secretary; and

25 “(viii) any combination of the above.

1 “(2) WORKING AGRICULTURAL LAND.—The
2 term ‘working agricultural land’ means—

3 “(A) crop land;

4 “(B) pasture land;

5 “(C) grazing land; and

6 “(D) orchard land.

7 “(b) ESTABLISHMENT.—Under the environmental
8 quality section of the program established under sub-
9 chapter A, the Secretary shall establish a Regional Water
10 Enhancement Program to improve water quality and
11 water conservation on a regional scale to benefit working
12 agricultural land and other land surrounding working ag-
13 ricultural land.

14 “(c) PURPOSE.—The purpose of the Regional Water
15 Enhancement Program shall be to improve water quality
16 and water conservation on a regional scale to benefit work-
17 ing agricultural land and other land surrounding working
18 agricultural land (including fish and wildlife habitat), by
19 selecting and providing coordinated program assistance to
20 water quality and water conservation projects adminis-
21 tered by partners at geographic levels greater than indi-
22 vidual parcels of working agricultural land, including—

23 “(1) watersheds;

24 “(2) irrigation and drainage districts; and

1 “(3) other areas as determined by the Sec-
2 retary.

3 “(d) PRIORITY ISSUES AND PROJECT ADMINISTRA-
4 TION.—

5 “(1) CONSULTATION.—Partners, working with
6 the Natural Resources Conservation Service at the
7 State level and the relevant advisory State Technical
8 Committee, shall identify key water quality or water
9 conservation priorities for a specific region, such as
10 a watershed, in which a project would be conducted.

11 “(2) GRANTS AND AGREEMENTS PROCESS.—
12 The Secretary may award grants or enter into coop-
13 erative agreements or contribution agreements with
14 partners that propose projects that—

15 “(A) are selected through a competitive se-
16 lection process;

17 “(B) focus on a limited number of water
18 quality and water conservation issues identified
19 under paragraph (1);

20 “(C) include performance incentives to—

21 “(i) encourage a high percentage of
22 producer participation in a project area;
23 and

24 “(ii) achieve cooperative conservation
25 outcomes; and

1 “(D) identify performance targets to be
2 achieved before funding for a project may be re-
3 newed.

4 “(3) PROJECT RENEWALS.—The Secretary
5 shall determine whether a selected project may be
6 renewed based on an evaluation of the Secretary of
7 the achievement by the project of the performance
8 targets established for the project.

9 “(e) FUNDING.—For each of fiscal years 2008
10 through 2013, the Secretary shall not use more than 5
11 percent of the funds made available to carry out the envi-
12 ronmental quality section of the program established
13 under subchapter A to carry out the program established
14 under this section.”.

15 **CHAPTER 6—OTHER CONSERVATION**
16 **PROGRAMS**

17 **SEC. 2381. CONSERVATION OF PRIVATE GRAZING LAND.**

18 Section 1240M(e) of the Food Security Act of 1985
19 (16 U.S.C. 3839bb(e)) is amended by striking “2007” and
20 inserting “2013”.

21 **SEC. 2382. REAUTHORIZATION OF WILDLIFE HABITAT IN-**
22 **CENTIVE PROGRAM.**

23 (a) IN GENERAL.—Section 1240N of the Food Secu-
24 rity Act of 1985 (16 U.S.C. 3839bb–1) is amended by
25 adding at the end the following:

1 “(d) DURATION OF PROGRAM.—Using funds made
2 available under section 1241(a)(7), the Secretary shall
3 carry out the program during fiscal years 2008 through
4 2020.”.

5 (b) FUNDING.—Section 1241(a)(7)(D) of the Food
6 Security Act of 1985 (16 U.S.C. 3841(a)(7)(D)) is amend-
7 ed by striking “2007” and inserting “2020”.

8 **[SEC. 2383. GRASSROOTS SOURCE WATER PROTECTION**
9 **PROGRAM.]**

10 Section 1240O(b) of the Food Security Act of 1985
11 (16 U.S.C. 3839bb–2(b)) is amended by striking “2007”
12 and inserting “2013”.**]**

13 **[SEC. 2384. GREAT LAKES BASIN PROGRAM FOR SOIL ERO-**
14 **SION AND SEDIMENT CONTROL.]**

15 Section 1240P(c) of the Food Security Act of 1985
16 (16 U.S.C. 3839bb–3(c)) is amended by striking “2007”
17 and inserting “2013”.**]**

18 **SEC. 2385. FARM VIABILITY PROGRAM.**

19 Section 1238J(b) of the Food Security Act of 1985
20 (16 U.S.C. 3838j(b)) is amended by striking “2007” and
21 inserting “2013”.

22 **SEC. 2386. DISCOVERY WATERSHED DEMONSTRATION PRO-**
23 **GRAM.]**

24 Chapter 5 of subtitle D of title XII of the Food Secu-
25 rity Act of 1985 (16 U.S.C. 3839bb) (as amended by sec-

1 tion 2341(c)(2)) is amended by adding at the end the fol-
2 lowing:

3 **“SEC. 1240R. DISCOVERY WATERSHED DEMONSTRATION**
4 **PROGRAM.**

5 “(a) ESTABLISHMENT.—The Secretary shall estab-
6 lish and carry out a demonstration program in not less
7 than 30 small watersheds in States of the Upper Mis-
8 sissippi River basin to identify and promote the most cost-
9 effective and efficient approaches to reducing the loss of
10 nutrients to surface waters.

11 “(b) PURPOSE.—The demonstration program shall
12 demonstrate in small watersheds performance-based and
13 market-based approaches—

14 “(1) to reduce the loss of nutrients to surface
15 waters from agricultural land; and

16 “(2) to assess the cost-effectiveness of manage-
17 ment practices designed to reduce the loss of nutri-
18 ents to surface waters from agricultural land.

19 “(c) SELECTION OF SMALL WATERSHEDS.—

20 “(1) ADVISORY COMMITTEE.—

21 “(A) IN GENERAL.—The Secretary, acting
22 through the Natural Resources Conservation
23 Service and in consultation with the State tech-
24 nical committee, shall establish an advisory
25 committee in each appropriate State as a stand-

1 ing subcommittee of the State technical com-
2 mittee to assist the Secretary in—

3 “(i) the design and implementation of
4 the demonstration program; and

5 “(ii) the selection of small watersheds
6 in the watersheds of the Upper Mississippi
7 River for participation in the program.

8 “(B) MEMBERSHIP.—The advisory com-
9 mittee shall engage producer leadership and in-
10 clude scientists, economists, and other individ-
11 uals from Federal and State agencies, institu-
12 tions of higher education, producer associations,
13 and nonprofit organizations who have expertise
14 relating to—

15 “(i) nutrient management;

16 “(ii) performance-based and market-
17 based approaches to environmental stew-
18 ardship;

19 “(iii) the cost-effectiveness of ap-
20 proaches to reducing loss of nutrients to
21 surface water;

22 “(iv) methods for measuring out-
23 comes; or

24 “(v) other appropriate areas of knowl-
25 edge.

1 “(2) CRITERIA.—In selecting small watersheds
2 for participation in the program, the advisory com-
3 mittee shall consider the extent to which—

4 “(A) reducing nutrient losses to surface
5 water in the small watershed would be likely to
6 result in measurable improvements in water
7 quality in the small watershed;

8 “(B) a demonstration project would use in-
9 novative approaches to attract a high level of
10 producer participation in the small watershed to
11 ensure success;

12 “(C) a demonstration project could be im-
13 plemented through a third party, including a
14 producer organization, farmer cooperative, con-
15 servation district, water utility, agency of State
16 or local government, conservation organization,
17 or other organization with appropriate exper-
18 tise;

19 “(D) a demonstration project would lever-
20 age funding from State, local, and private
21 sources;

22 “(E) a demonstration project would dem-
23 onstrate market-based approaches to nutrient
24 losses to surface waters;

1 “(F) baseline data related to water quality
2 and agricultural practices and contributions
3 from nonagricultural sources as relevant in the
4 small watershed has been collected or could be
5 readily collected; and

6 “(G) water quality monitoring infrastruc-
7 ture is in place or could reasonably be put in
8 place in the small watershed.

9 “(d) USE OF FUNDS.—Funding provided for the pro-
10 gram under subsection (e) shall be used in not less than
11 30 small watersheds—

12 “(1) to provide technical assistance;

13 “(2) to provide and assess financial incentives
14 to agricultural producers implementing conservation
15 practices that reduce nutrient losses to surface wa-
16 ters;

17 “(3) to assess the performance and costs of al-
18 ternative nutrient management techniques, including
19 soil tests, stalk tests, cover crops, soil amendments,
20 buffers, and tillage practices; and

21 “(4) to share the cost of data collection, moni-
22 toring, and analysis.

23 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
24 are authorized to be appropriated to carry out this sec-
25 tion—

1 “(B) a person that is eligible for technical
2 assistance and cost-share payments under this
3 section, including—

4 “(i) producers;

5 “(ii) ranchers;

6 “(iii) operators;

7 “(iv) private nonindustrial forest land-
8 owners; and

9 “(v) landlords on working agricultural
10 land.

11 “(2) NONINDUSTRIAL PRIVATE FOREST
12 LAND.—The term ‘nonindustrial private forest land’
13 means rural land, as determined by the Secretary,
14 that—

15 “(A) has existing tree cover or is suitable
16 for growing trees; and

17 “(B) is owned by any nonindustrial private
18 individual, group, association, corporation, In-
19 dian tribe, or other private legal entity if the in-
20 dividual, group, association, corporation, tribe,
21 or entity has definitive decision making author-
22 ity over the land.

23 “(3) SECRETARY.—The term ‘Secretary’ means
24 the Secretary of Agriculture;

1 “(b) PURPOSE.—The purposes of the emergency
2 landscape restoration program is to rehabilitate water-
3 sheds, private nonindustrial forest land, and working agri-
4 cultural land adversely affected by natural catastrophic
5 events, by—

6 “(1) providing a source of assistance for res-
7 toration of the land back to a productive state;

8 “(2) preventing further impairment of land and
9 water;

10 “(3) providing further protection of natural re-
11 sources; and

12 “(4) streamlining and simplifying legal authori-
13 ties and funding for use in rehabilitating watersheds,
14 private nonindustrial forest land, and working agri-
15 cultural land.

16 “(c) ESTABLISHMENT.—The Secretary, acting
17 through the Natural Resources Conservation Service, shall
18 carry out an emergency landscape restoration program
19 under which technical assistance and cost-share payments
20 are made available to eligible recipients to carry out reme-
21 dial activities to restore landscapes damaged by—

22 “(1) fire;

23 “(2) drought;

24 “(3) flood; and

1 “(4) other resource-impacting natural events, as
2 determined by the Secretary.

3 “(d) PRIORITIZATION.—The Secretary shall provide
4 the highest priority for those activities that protect human
5 health and safety.

6 “(e) TECHNICAL ASSISTANCE AND COST-SHARE
7 PAYMENTS.—

8 “(1) IN GENERAL.—The Secretary shall provide
9 technical assistance and cost-share payments in
10 amounts of up to 75 percent of the cost of remedial
11 activities described in paragraph (2) to rehabilitate
12 watersheds, private nonindustrial forest land, and
13 working agricultural land.

14 “(2) REMEDIAL ACTIVITIES.—Remedial activi-
15 ties that are eligible for technical assistance and
16 cost-share payments under this section include—

17 “(A) removal of debris from streams and
18 agricultural land;

19 “(B) restoration of destabilized
20 streambanks;

21 “(C) establishment of cover on critically
22 eroding land;

23 “(D) restoration of fences;

24 “(E) construction of conservation struc-
25 tures;

1 “(F) provision of water for livestock in
2 drought situations;

3 “(G) rehabilitation of farm land;

4 “(H) restoration of damaged private non-
5 industrial forest land including removal of dam-
6 aged standing trees and downed timber;

7 “(I) carrying out of emergency water con-
8 servation measures; and

9 “(J) such other remedial activities as are
10 determined by the Secretary.

11 “(f) AUTHORIZATION OF APPROPRIATIONS.—

12 “(1) IN GENERAL.—There are authorized to be
13 appropriated to the Secretary to carry out this sec-
14 tion such sums as are necessary for each of fiscal
15 years 2008 through 2020, to remain available until
16 expended.

17 “(2) COMMODITY CREDIT CORPORATION.—Sub-
18 ject to the specific appropriation of funds to carry
19 out this section, the Secretary may use the facilities
20 and authorities of the Commodity Credit Corpora-
21 tion to carry out this section.

22 “(g) TEMPORARY ADMINISTRATION OF EMERGENCY
23 LANDSCAPE RESTORATION PROGRAM.—

24 “(1) IN GENERAL.—During the period begin-
25 ning on the date of enactment of this section and

1 ending on the termination date described in para-
2 graph (2), to ensure that technical assistance, cost-
3 share payments, and other payments continue to be
4 administered in an orderly manner until the date on
5 which final regulations are promulgated to imple-
6 ment the emergency landscape restoration program,
7 the Secretary shall, to the extent the terms and con-
8 ditions of the programs described in clauses (i) and
9 (ii) of subparagraph (A) are consistent with the
10 emergency landscape restoration program, continue
11 to—

12 “(A) provide technical assistance, cost-
13 share payments, and other payments under the
14 terms and conditions of—

15 “(i) the emergency conservation pro-
16 gram established under title IV of the Ag-
17 ricultural Credit Act of 1978 (16 U.S.C.
18 2201 et seq.); and

19 “(ii) the emergency watershed protec-
20 tion program established under section 403
21 of the Agricultural Credit Act of 1978 (16
22 U.S.C. 2203); and

23 “(B) use for those purposes—

24 “(i) any funds made available under
25 those programs; and

1 “(ii) as the Secretary determines to be
2 necessary, any funds made available to
3 carry out the emergency landscape restora-
4 tion program.

5 “(2) TERMINATION OF AUTHORITY.—The au-
6 thority of the Secretary to carry out paragraph (1)
7 shall terminate on the effective date of final regula-
8 tions to implement the emergency landscape restora-
9 tion program.”.

10 (b) CONFORMING AMENDMENTS.—

11 (1) Effective on the effective date of final regu-
12 lations to implement the emergency landscape res-
13 toration program under section 1240Q of the Food
14 Security Act of 1985 (as added by subsection (a)),
15 title IV of the Agricultural Credit Act of 1978 (16
16 U.S.C. 2201 et seq.) is repealed.

17 (2) Section 1211(a)(3)(C) of the Food Security
18 Act of 1985 (16 U.S.C. 3811(a)(3)(C)) is amended
19 by inserting “section 1240Q or” after “a payment
20 under”.

21 (3) Section 1221(b)(3)(C) of the Food Security
22 Act of 1985 (16 U.S.C. 3821(b)(3)(C)) is amended
23 by inserting “section 1240Q or” after “a payment
24 under”.

1 **Subtitle E—Funding and**
2 **Administration**

3 **SEC. 2401. FUNDING AND ADMINISTRATION.**

4 Section 1241(a) of the Food Security Act of 1985
5 (16 U.S.C. 3841(a)) is amended—

6 (1) in the matter preceding paragraph (1), by
7 striking “2007” and inserting “2013”;

8 (2) in paragraph (3), by striking “, using not
9 more than” and all that follows through the end of
10 subparagraph (B) and inserting a period; and

11 (3) by striking paragraph (6) and inserting the
12 following:

13 “(6) The comprehensive stewardship incentives
14 program under chapter 6 of subtitle D, using such
15 sums as are necessary, of which the Secretary shall
16 use to carry out the environmental quality section,
17 to the maximum extent practicable—

18 “(A) \$1,140,000,000 in each of fiscal
19 years 2008 and 2009; and

20 “(B) \$1,170,000,000 in each subsequent
21 fiscal year.”.

22 **SEC. 2402. REGIONAL EQUITY.**

23 Section 1241 of the Food Security Act of 1985 (16
24 U.S.C. 3841) is amended by striking subsection (d) and
25 inserting the following:

1 “(d) MINIMUM BASE ALLOCATION TO STATES FOR
2 CERTAIN CONSERVATION PROGRAMS.—

3 “(1) MINIMUM AMOUNT.—

4 “(A) IN GENERAL.—Except as provided in
5 paragraph (3), in allocating funds to States to
6 implement the programs described in subpara-
7 graph (B), the Secretary shall ensure that each
8 State receives in funding for approved applica-
9 tions under those programs, at a minimum,
10 \$18,000,000 for each of fiscal years 2008
11 through 2013.

12 “(B) AFFECTED PROGRAMS.—The pro-
13 grams described in this subparagraph are—

14 “(i) the wildlife habitat incentive pro-
15 gram established under section 1240N;

16 “(ii) the farmland and ranch land
17 protection program established under sub-
18 chapter D of chapter 2 of subtitle D; and

19 “(iii) the environmental quality sec-
20 tion of the comprehensive stewardship in-
21 centives program established under section
22 1240BB(b)(1).

23 “(C) CONSIDERATION.—In determining
24 the specific funding allocations for each State
25 under this paragraph, the Secretary shall con-

1 sider the respective demand for each program
2 described in subparagraph (B) in each State.

3 “(2) EXCEPTION.—The Secretary shall ensure
4 that any funds made available under section 1243(f)
5 to carry out a project in or adjacent to a State are
6 in addition to the minimum base allocation for the
7 State described in paragraph (1).”.

8 **SEC. 2403. CONSERVATION ACCESS.**

9 Section 1241 of the Food Security Act of 1985 (16
10 U.S.C. 3841) is amended by adding at the end the fol-
11 lowing:

12 “(e) CONSERVATION ACCESS.—

13 “(1) IN GENERAL.—In the case of every pro-
14 gram described in subsection (a), except as provided
15 in paragraph (2), for each fiscal year in which fund-
16 ing is made available for the program, 10 percent of
17 the funds available for a fiscal year shall be used by
18 the Secretary to assist—

19 “(A) beginning farmers or ranchers, as de-
20 fined in section 343(8) of the Consolidated
21 Farm and Rural Development Act (7
22 U.S.C.1991(8)), except that in determining
23 whether an individual or entity qualifies as such
24 a beginning farmer or rancher, the Secretary
25 may—

1 “(i) employ a fair and reasonable test
2 of net worth; and

3 “(ii) use such other criteria as the
4 Secretary determines to be appropriate;
5 and

6 “(B) socially disadvantaged farmers or
7 ranchers, as defined in section 355(e)(2) of the
8 Consolidated Farm and Rural Development Act
9 (7 U.S.C.2003(e)(2)).

10 “(2) ACREAGE PROGRAMS.—In the case of the
11 conservation reserve and wetland reserve programs,
12 10 percent of the acreage authorized to be enrolled
13 in any fiscal year shall be used to assist persons de-
14 scribed in subparagraphs (A) and (B) of paragraph
15 (1).

16 “(3) REPOOLING.—In any fiscal year, amounts
17 not obligated under this subsection by a date deter-
18 mined by the Secretary through rulemaking shall be
19 available for payments and technical assistance to all
20 persons eligible for payments or technical assistance
21 in that fiscal year under a program authorized under
22 this title.

23 “(4) CONSERVATION INNOVATION GRANTS.—
24 Funding under paragraph (1) for conservation inno-
25 vation grants under section 1240H may, in addition

1 to purposes described in subsection (b) of that sec-
2 tion, be used for—

3 “(A) technology transfer;

4 “(B) farmer-to-farmer workshops; and

5 “(C) demonstrations of innovative con-
6 servation practices.

7 “(5) TECHNICAL ASSISTANCE.—The Secretary
8 shall offer, to the maximum extent practicable, high-
9 er levels of technical assistance to beginning farmers
10 or ranchers and socially disadvantaged farmers or
11 ranchers than are otherwise made available to pro-
12 ducers participating in programs under this title.”.

13 **SEC. 2404. DELIVERY OF TECHNICAL ASSISTANCE.**

14 Section 1242 of the Food Security Act of 1985 (16
15 U.S.C. 3842) is amended to read as follows:

16 **“SEC. 1242. DELIVERY OF TECHNICAL ASSISTANCE.**

17 “(a) PURPOSE.—The purpose of technical assistance
18 authorized by this title is to provide farmers, ranchers,
19 owners of agricultural and nonindustrial private forest
20 land, and interested organizations with consistent, science-
21 based, site-specific practices designed to achieve conserva-
22 tion objectives on private land, including land active in ag-
23 ricultural and nonindustrial private forestry uses.

1 “(b) PROVISION OF TECHNICAL ASSISTANCE.—The
2 Secretary shall provide technical assistance under this title
3 to a producer eligible for that assistance—

4 “(1) directly;

5 “(2) through a contract with an approved third-
6 party provider; or

7 “(3) at the option of the producer, through a
8 payment, as determined by the Secretary, to the pro-
9 ducer for an approved third-party provider, if avail-
10 able.

11 “(c) CERTIFICATION OF THIRD-PARTY PRO-
12 VIDERS.—

13 “(1) IN GENERAL.—The Secretary shall con-
14 tinue to carry out the technical service provider pro-
15 gram established under regulations promulgated
16 under subsection (b)(1) of this section (as in exist-
17 ence on the day before the date of enactment of this
18 subsection).

19 “(2) PURPOSE.—The purpose of the technical
20 service provider program shall be to increase the
21 availability and range of technical expertise available
22 to farmers, ranchers, and land owners to plan and
23 implement conservation measures.

24 “(3) EXPERTISE.—In promulgating regulations
25 to carry out this subsection, the Secretary shall en-

1 activities in the contract have been com-
2 pleted; and

3 “(ii) does not exceed 3 years.

4 “(C) REVIEW OF CERTIFICATION REQUIRE-
5 MENTS.—Not later than 1 year after the date
6 of enactment of this subsection, the Secretary
7 shall—

8 “(i) review certification requirements
9 for third-party providers; and

10 “(ii) make any adjustments consid-
11 ered necessary by the Secretary to improve
12 participation.

13 “(D) ELIGIBLE ACTIVITIES.—The Sec-
14 retary may include in activities eligible for pay-
15 ment to a third-party provider—

16 “(i) education and outreach to farm-
17 ers, ranchers, and land owners; and

18 “(ii) administrative services necessary
19 to support farm program implementation.

20 “(d) AVAILABILITY OF TECHNICAL SERVICES.—

21 “(1) AVAILABILITY.—

22 “(A) IN GENERAL.—In carrying out the
23 environmental quality incentives program estab-
24 lished under chapter 4 of subtitle D, the wildlife
25 habitat incentive program established under

1 section 1240N, and the agricultural manage-
2 ment assistance program under section 524 of
3 the Federal Crop Insurance Act (7 U.S.C.
4 1524), the Secretary shall make technical serv-
5 ices available to all farmers, ranchers, and land
6 owners that are installing an eligible practice.

7 “(B) TECHNICAL SERVICE CONTRACTS.—
8 In any case in which cost-share assistance is
9 not requested or is not provided under subpara-
10 graph (A), the Secretary may enter into a tech-
11 nical service contract with the applicable farm-
12 er, rancher, or land owner for the purposes of
13 assisting in the planning or installation of an
14 eligible practice.

15 “(2) REVIEW OF CONSERVATION PRACTICE
16 STANDARDS.—

17 “(A) IN GENERAL.—The Secretary shall—

18 “(i) review conservation practice
19 standards in effect on the date of enact-
20 ment of this subsection; and

21 “(ii) ensure, to the maximum extent
22 practicable, the completeness and relevance
23 of the standards to local agricultural, for-
24 estry, and natural resource needs, includ-
25 ing specialty crops, native and managed

1 pollinators, bioenergy crop production, for-
2 estry, and such other needs as are deter-
3 mined by the Secretary.

4 “(B) CONSULTATION.—In conducting the
5 assessment under subparagraph (A), the Sec-
6 retary shall consult with producers, crop con-
7 sultants, cooperative extension and land grant
8 universities, nongovernmental organizations,
9 and other qualified entities.

10 “(C) EXPEDITED REVISION OF STAND-
11 ARDS.—If the Secretary determines under sub-
12 paragraph (A) that revisions to the conservation
13 practice standards are necessary, the Secretary
14 shall establish an administrative process for ex-
15 pediting the revisions.

16 “(3) ADDRESSING CONCERNS OF SPECIALITY
17 CROP PRODUCERS.—

18 “(A) IN GENERAL.—The Secretary shall—

19 “(i) to the maximum extent prac-
20 ticable, fully incorporate specialty crop pro-
21 duction into the conservation practice
22 standards; and

23 “(ii) provide for the appropriate range
24 of conservation practices and resource

1 mitigation measures available to specialty
2 crop producers.

3 “(B) AVAILABILITY OF ADEQUATE TECH-
4 NICAL ASSISTANCE.—

5 “(i) IN GENERAL.—The Secretary
6 shall ensure that adequate technical assist-
7 ance is available for the implementation of
8 conservation practices by specialty crop
9 producers through federal conservation
10 programs.

11 “(ii) REQUIREMENTS.—In carrying
12 out clause (i), the Secretary shall de-
13 velop—

14 “(I) programs that meet specific
15 needs of specialty crop producers
16 through cooperative agreements with
17 other agencies and nongovernmental
18 organizations; and

19 “(II) program specifications that
20 allow for innovative approaches to en-
21 gage local resources in providing tech-
22 nical assistance for planning and im-
23 plementation of conservation prac-
24 tices.

1 “(e) WORKING LAND TECHNICAL ASSISTANCE
2 FUND.—

3 “(1) IN GENERAL.—There is established in the
4 Treasury of the United States a revolving fund, to
5 be known as the ‘working land technical assistance
6 fund’ (referred to in this subsection as the ‘Fund’),
7 consisting of funds made available under paragraph
8 (3).

9 “(2) USE OF FUND.—

10 “(A) IN GENERAL.—The Secretary shall
11 use amounts in the Fund to provide technical
12 assistance for—

13 “(i) the conservation security program
14 established under subchapter A of chapter
15 2 of subtitle D;

16 “(ii) the environmental quality incen-
17 tives program established under chapter 4
18 of subtitle D; and

19 “(iii) the comprehensive stewardship
20 incentives program established under sub-
21 chapter A of chapter 6 of subtitle D.

22 “(B) EXCLUSIVE SOURCE.—Notwith-
23 standing any other provision of this title, the
24 Fund shall be the exclusive source of funding

1 for technical assistance for the programs de-
2 scribed in subparagraph (A).

3 “(3) FUNDING.—Of the funds of the Com-
4 modity Credit Corporation, the Secretary shall use
5 to carry out this subsection, to remain available
6 until expended—

7 “(A) \$300,000,000 for fiscal year 2008;

8 “(B) \$350,000,000 for fiscal year 2009;

9 “(C) \$400,000,000 for fiscal year 2010;

10 “(D) \$450,000,000 for fiscal year 2011;

11 “(E) \$500,000,000 for fiscal year 2012;

12 and

13 “(F) \$550,000,000 for fiscal year 2013.

14 “(f) REPORT.—

15 “(1) IN GENERAL.—Not later than January 1,
16 **【 】**, the Secretary shall submit to the Com-
17 mittee on Agriculture of the House of Representa-
18 tives and the Committee on Agriculture, Nutrition
19 and Forestry of the Senate a report that evaluates
20 the implications of long-term easements on Depart-
21 ment of Agriculture resources.

22 “(2) INCLUSIONS.—The report shall include—

23 “(A) data relating to the number and loca-
24 tion of long-term easements that the Depart-

1 ment of Agriculture holds or has a significant
2 role in monitoring or managing;

3 “(B) an assessment of the extent to which
4 the oversight of the long-term easement agree-
5 ments impacts the availability of resources, in-
6 cluding technical assistance; and

7 “(C) any other relevant information relat-
8 ing to costs or other effects that would be help-
9 ful to the Committees.”.

10 **SEC. 2405. ADMINISTRATIVE REQUIREMENTS FOR CON-**
11 **SERVATION PROGRAMS.**

12 Section 1243 of the Food Security Act of 1985 (16
13 U.S.C. 3843) is amended by striking subsection (f) and
14 inserting the following:

15 “(f) PARTNERSHIPS AND COOPERATION.—

16 “(1) IN GENERAL.—In carrying out the wildlife
17 habitat incentives program, wetland reserve pro-
18 gram, comprehensive stewardship incentives pro-
19 gram, and farmland and ranch land protection pro-
20 gram, the Secretary shall designate special projects,
21 as recommended by the State Conservationist, after
22 consultation with the State technical committee, to
23 enhance technical and financial assistance, edu-
24 cation, stewardship actions, and outreach provided
25 to owners, operators, and producers to address envi-

1 ronmental and community development issues and
2 opportunities affected by agricultural production
3 with respect to—

4 “(A) meeting the purposes of Federal laws
5 that protect natural resources and the environ-
6 ment;

7 “(B) enhancing the objectives of those pro-
8 grams;

9 “(C) improving community development
10 and economic conditions in rural areas; and

11 “(D) preserving agricultural and natural
12 resources in rural landscapes.

13 “(2) INCENTIVES.—To realize the purposes of
14 the special projects, the Secretary shall—

15 “(A) provide incentives to owners, opera-
16 tors, and producers participating in the special
17 projects;

18 “(B) enter into multiyear agreements (not
19 to exceed 5 years in duration) with States (in-
20 cluding State agencies and units of local gov-
21 ernment), Indian tribes, farmer cooperatives,
22 institutions of higher education, and private
23 nonprofit, nongovernmental organizations and
24 associations to encourage partnerships and

1 sharing of technical and financial resources
2 among—

3 “(i) owners, operators, and producers;
4 and

5 “(ii) owners, operators, and producers
6 and governmental and nongovernmental
7 organizations; and

8 “(C) coordinate special projects carried out
9 under this subsection.

10 “(3) FINANCIAL ASSISTANCE, ADMINISTRATION,
11 AND TECHNICAL ASSISTANCE.—

12 “(A) IN GENERAL.—The Secretary shall
13 assist the special projects by providing the Fed-
14 eral financial assistance to producers partici-
15 pating in a project.

16 “(B) ADMINISTRATION.—The Secretary
17 shall be responsible for basic administrative and
18 oversight functions relating to the special
19 projects, including—

20 “(i) rules and procedures relating to
21 conservation standards and specifications;

22 “(ii) conservation compliance;

23 “(iii) appeals;

24 “(iv) adjusted gross income limita-
25 tions;

1 “(v) direct attribution; and

2 “(vi) such other similar functions as
3 the Secretary might designate.

4 “(C) TECHNICAL ASSISTANCE.—The Sec-
5 retary shall coordinate the provision of technical
6 assistance for a special project with the appro-
7 priate partnership entered into under para-
8 graph (2)(B).

9 “(4) FLEXIBILITY.—

10 “(A) IN GENERAL.—The Secretary shall
11 adjust eligibility criteria, approved practices,
12 practice standards, innovative conservation
13 practices, and other elements of the programs
14 under this title to better reflect unique local cir-
15 cumstances and purposes if the Secretary deter-
16 mines such adjustments would—

17 “(i) improve environmental enhance-
18 ment and long-term sustainability of the
19 natural resource base; and

20 “(ii) be consistent with the purposes
21 of this title.

22 “(B) PLAN.—Each member of a partner-
23 ship entered into under paragraph (2)(B) shall
24 submit to the Secretary, for approval by the
25 Secretary, a special project plan that includes—

1 “(i) a description of proposed adjust-
2 ments to each program (including a de-
3 scription of how those adjustments will ac-
4 celerate the achievement of environmental
5 benefits);

6 “(ii) an analysis of the contribution
7 those adjustments will make to the effec-
8 tiveness of programs in achieving the pur-
9 poses of the special project;

10 “(iii) a timetable for reevaluating the
11 need for or performance of the proposed
12 adjustments;

13 “(iv) a description of non-Federal pro-
14 grams and resources that will contribute to
15 achieving the purposes of the special
16 project; and

17 “(v) a plan for the regular moni-
18 toring, evaluation, and reporting of
19 progress toward the purposes of the special
20 project.

21 “(C) INCENTIVE AND BONUS PAYMENTS.—

22 “(i) IN GENERAL.—Plans submitted
23 under subparagraph (B) may include pro-
24 posals for special incentive and bonus pay-
25 ments, consistent with the statutory pur-

1 poses of the programs involved, that the
2 members of the partnership consider nec-
3 essary to ensure adequate participation to
4 achieve project outcomes, including bonus
5 payments to agricultural producers that—

6 “(I) restore land, water, or habi-
7 tat as a community development
8 asset;

9 “(II) provide public access to en-
10 rolled land; or

11 “(III) address other community
12 needs.

13 “(ii) CRITERIA.—The Secretary shall
14 develop and publish criteria for providing
15 bonus payments to agricultural producers
16 for restoring land, water, or habitat as a
17 community development asset, providing
18 public access to enrolled land, or address-
19 ing other community needs under plans ap-
20 proved under this subsection.

21 “(5) APPLICATIONS.—

22 “(A) COMPETITIVE PROCESS.—The Sec-
23 retary shall establish a competitive process for
24 considering applications for agreements under

1 this subsection in accordance with this para-
2 graph and paragraph (6).

3 “(B) REQUEST FOR APPLICATIONS.—A re-
4 quest for applications shall be issued annually
5 by the State Conservationist, in consultation
6 with the State technical committee and con-
7 sistent with national guidance.

8 “(C) APPLICATION REQUIREMENTS.—An
9 application shall include, with respect to the
10 proposed special project covered by the applica-
11 tion—

12 “(i) a clear statement of the environ-
13 mental and, as applicable, community de-
14 velopment problems, to be addressed and
15 opportunities to be pursued under the spe-
16 cial project;

17 “(ii) a description of all collaborating
18 partners and local leadership, including co-
19 ordination and accountability in imple-
20 menting the special project;

21 “(iii) a detailed plan for technical and
22 educational assistance and outreach under
23 the special project;

24 “(iv) a description of the baseline
25 date, performance measures, and moni-

1 toring and evaluation methods to be used
2 for the special project;

3 “(v) a description of methods for com-
4 municating with the public before, during,
5 and after the special project;

6 “(vi) a description of the amount of
7 funding or number of acres of 1 or more
8 of the programs under subtitle D proposed
9 to be allocated to carry out the special
10 project;

11 “(vii) a schedule for use of funding or
12 acres over the duration of the special
13 project; and

14 “(viii) a description of non-Federal
15 programs and resources that would con-
16 tribute to achieving the purposes of the
17 special project.

18 “(6) EVALUATION CRITERIA.—In evaluating ap-
19 plications for agreements under this subsection, the
20 Secretary shall consider, in addition to the require-
21 ments listed in paragraph (5)(C), the extent to
22 which a special project proposed in an application—

23 “(A) has broad local support from owners,
24 operators, and producers and governmental and
25 nongovernmental organizations;

1 “(B) has feasible goals and objectives and
2 provides substantial assurance that objectives
3 can be achieved in the designated special
4 project period;

5 “(C) demonstrates administrative and fi-
6 nancial management systems and capacity to
7 manage, disburse, and account for funds;

8 “(D) has a reasonable expectation of at-
9 tracting the producer participation necessary
10 for a successful special project;

11 “(E) addresses 1 or more local, State, re-
12 gional, or national environmental priorities,
13 with particular emphasis on any priority for
14 which there is an existing State or federally-ap-
15 proved plan in place for addressing that pri-
16 ority;

17 “(F) identifies the appropriate priority
18 conservation systems, practices, and activities
19 needed to achieve environmental objectives;

20 “(G) emphasizes least-cost conservation
21 systems, practices, and activities;

22 “(H) links resource and environmental ob-
23 jectives with community development or
24 agrotourism objectives that can be improved as
25 a result of addressing the resource concerns;

1 “(I) addresses the needs of beginning
2 farmers or ranchers and socially disadvantaged
3 farmers or ranchers;

4 “(J) addresses the manner in which envi-
5 ronmental and community benefits would con-
6 tinue after the term of the financial assistance
7 contract;

8 “(K) leverages financial and technical re-
9 sources from sources other than the programs
10 authorized by subtitle D, including financial
11 and technical resources provided by State agen-
12 cies, local governments, nongovernmental orga-
13 nizations and associations, and other private
14 sector entities;

15 “(L) describes how all necessary technical
16 assistance will be provided to each producer
17 participating in the special project, including
18 cost estimates for technical assistance;

19 “(M) demonstrates innovation in conserva-
20 tion methods and program delivery, including
21 innovative outcome-based performance meas-
22 ures and methods; and

23 “(N) demonstrates innovation in linking
24 environmental and community development ob-
25 jectives.

1 “(7) MATCHING FUNDS.—

2 “(A) IN GENERAL.—The Secretary shall
3 not require more than 25 percent of the cost of
4 a special project supported under an agreement
5 entered into under this subsection to be derived
6 from non-Federal sources.

7 “(B) IN-KIND SUPPORT.—If the Secretary
8 establishes a matching fund requirement for a
9 special project supported under an agreement
10 entered into under this subsection, the Sec-
11 retary shall allow the use of in-kind contribu-
12 tions to meet that requirement.

13 “(8) FUNDING.—

14 “(A) IN GENERAL.—The Secretary shall
15 use at least 5 percent but not more than 10
16 percent of the total funds made available for
17 each fiscal year under section 1241(a) to carry
18 out activities under this section that are author-
19 ized under conservation programs specified in
20 paragraph (1).

21 “(B) STATE PROJECTS.—

22 “(i) IN GENERAL.—The Secretary
23 shall allow each State to use up to 10 per-
24 cent of the funds made available for each
25 fiscal year and allocated to the State for

1 programs specified in paragraph (1) to
2 carry out a special project under this sub-
3 section.

4 “(ii) MULTISTATE PROJECTS.—The
5 Secretary may direct States to use some or
6 all of the funds permitted to be used under
7 clause (i) to address multistate projects, as
8 the Secretary determines to be appropriate.

9 “(iii) ADDITIONAL FUNDS.—Subject
10 to subparagraph (A), on request by a
11 State, the Secretary may allocate addi-
12 tional funds to the State.

13 “(C) PLANNING GRANTS.—The Secretary
14 shall permit a State to fund a limited number
15 of planning grants under this subsection if the
16 State certifies there is a strong likelihood of the
17 outcome of the planning grant being a project
18 that—

19 “(i) meets the requirements and cri-
20 teria of paragraph (4); and

21 “(ii) would be eligible for implementa-
22 tion funding in future years.

23 “(g) CONSERVATION SPENDING REPORTS.—Not
24 later than March 1 of each year, the Secretary shall sub-
25 mit to Congress a report that—

1 “(1) describes detailed State-by-State expendi-
2 tures on conservation programs, classified by pay-
3 ments to—

4 “(A) socially disadvantaged farmers or
5 ranchers;

6 “(B) beginning farmers or ranchers;

7 “(C) specialty crop growers; and

8 “(D) organic farmers; and

9 “(2) includes—

10 “(A) a description of each type of producer
11 specified in paragraph (1) served by each con-
12 servaion program under subtitle D, including
13 the organic conversion assistance program
14 under section [____];

15 “(B) a description of the practices and ac-
16 tivities implemented in that organic conversion
17 assistance program;

18 “(C) an assessment of the impacts of the
19 organic conversion assistance program on—

20 “(i) organic food and fiber production;

21 and

22 “(ii) small and moderate-sized family
23 farms;

24 “(D) a description of the outcomes
25 achieved through forest management practices

1 funded under this chapter, including relevant
2 observations and recommendations about the
3 success and future use of individual forest man-
4 agement practices;

5 “(E) a plan to improve access to, and par-
6 ticipation in, conservation programs by under-
7 served groups, including conservation programs
8 by socially disadvantaged farmers or ranchers,
9 beginning farmers or ranchers, and producers
10 of specialty crops, that is developed by the Sec-
11 retary in consultation with organizations rep-
12 resenting producers of specialty crops;

13 “(F) any additional recommended legisla-
14 tive changes to the conservation programs re-
15 ferred to in subparagraph (A);

16 “(G) in each report submitted under this
17 subsection after the initial report, a description
18 of—

19 “(i) the results of the implementation
20 of any recommended changes to the con-
21 servation programs and the plan described
22 in subparagraph (E); and

23 “(ii) any modifications to the plan
24 that the Secretary to be necessary to in-
25 crease the effectiveness of the plan; and

1 “(H) data relating to—

2 “(i) the number and location of long-
3 term easements that the Department holds
4 or has a significant role in monitoring or
5 managing, including an assessment of the
6 extent to which the oversight of the long-
7 term easement agreements impacts the
8 availability of resources, including technical
9 assistance; and

10 “(ii) any other relevant information
11 relating to costs or other effects that would
12 be helpful to the State technical commit-
13 tees.”.

14 **SEC. 2406. CONSERVATION PROGRAMS IN ENVIRONMENTAL**
15 **SERVICES MARKETS.**

16 Subtitle E of the Food Security Act of 1985 (16
17 U.S.C. 3841 et seq.) is amended by adding at the end
18 the following:

19 **“SEC. 1245. CONSERVATION PROGRAMS IN ENVIRON-**
20 **MENTAL SERVICES MARKETS.**

21 “(a) FRAMEWORK.—

22 “(1) IN GENERAL.—The Secretary shall estab-
23 lish a framework to facilitate the participation of
24 farmers, ranchers, and forest land owners in emerg-
25 ing environmental services markets.

1 “(2) PROCESS.—In carrying out paragraph (1),
2 the Secretary shall use a collaborative process that
3 includes representatives of—

4 “(A) farm, ranch, and forestry interests;

5 “(B) financial institutions involved in envi-
6 ronmental services trading;

7 “(C) institutions of higher education with
8 relevant expertise or experience;

9 “(D) nongovernmental organizations with
10 relevant expertise or experience;

11 “(E) government agencies of relevant juris-
12 diction, including—

13 “(i) the Department of Commerce;

14 “(ii) the Department of Energy;

15 “(iii) the Department of the Interior;

16 “(iv) the Department of Transpor-
17 tation;

18 “(v) the Environmental Protection
19 Agency; and

20 “(vi) the Corps of Engineers; and

21 “(F) other appropriate interests, as deter-
22 mined by the Secretary.

23 “(3) REQUIREMENTS.—

24 “(A) DEFINITION OF STANDARD.—In this
25 paragraph, the term ‘standard’ means a tech-

1 nical guideline that outlines accepted, science-
2 based methods to quantify the environmental
3 services benefits from agricultural and forest
4 conservation and land management practices,
5 as determined by the Secretary.

6 “(B) FRAMEWORK REQUIREMENTS.—In
7 establishing the framework under paragraph
8 (1), the Secretary shall—

9 “(i) establish uniform standards;

10 “(ii) design accounting procedures to
11 quantify environmental services benefits
12 that would assist farmers, ranchers, and
13 forest landowners in using the uniform
14 standards to establish certifications, as de-
15 fined in emerging environmental services
16 markets;

17 “(iii) establish—

18 “(I) a protocol to report environ-
19 mental services benefits; and

20 “(II) a registry to report and
21 maintain the benefits for future use in
22 emerging environmental services mar-
23 kets; and

24 “(iv) establish a process to verify that
25 a farmer, rancher, or forest land owner

1 that reports and maintains an environ-
2 mental services benefit in the registry de-
3 scribed in clause (iii)(II) has implemented
4 the reported conservation or land manage-
5 ment activity.

6 “(C) THIRD-PARTY SERVICE PROVIDERS.—

7 In developing the process described in subpara-
8 graph (B)(iv), the Secretary shall consider the
9 role of third-party service providers.

10 “(4) COORDINATION.—The Secretary shall co-
11 ordinate and leverage activities in existence on the
12 date of enactment of this section in agriculture and
13 forestry relating to emerging environmental services
14 markets.

15 “(5) PRIORITY.—In establishing the framework
16 under this subsection, the Secretary shall give pri-
17 ority to providing assistance to farmers, ranchers,
18 and forest landowners participating in carbon credit
19 markets.

20 “(b) AUTHORITY TO DELEGATE.—The Secretary
21 may delegate any responsibility under this section to a rel-
22 evant agency or office, as determined by the Secretary.

23 “(c) REPORTS TO CONGRESS.—

24 “(1) STATUS OF COLLABORATIVE PROCESS.—

25 Not later than 90 days after the date of enactment

1 of this section, the Secretary shall provide to the
2 Committee on Agriculture of the House of Rep-
3 resentatives and the Committee on Agriculture, Nu-
4 trition, and Forestry of the Senate information on
5 the status of the collaborative process under sub-
6 section (a)(2).

7 “(2) INTERIM REPORT.—Not later than 180
8 days after the date of enactment of this section, the
9 Secretary shall submit to the committees of Con-
10 gress described in paragraph (1) an interim report
11 that—

12 “(A) describes the adequacy of existing re-
13 search and methods to quantify environmental
14 services benefits;

15 “(B) proposes methods—

16 “(i) to establish technical guidelines,
17 accounting procedures, and reporting pro-
18 tocols; and

19 “(ii) to structure the registry; and

20 “(C) includes recommendations for actions
21 to remove barriers for farmers, ranchers, and
22 forest landowners to participation, reporting,
23 registration, and verification relating to envi-
24 ronmental services markets.

1 “(3) FINAL REPORT.—Not later than 18
2 months after the date of enactment of this section,
3 the Secretary shall submit to the committees of Con-
4 gress described in paragraph (1) a report that de-
5 scribes—

6 “(A) the progress of the Secretary in meet-
7 ing the requirements described in subsection
8 (a)(3)(B);

9 “(B) the rates of participation of farmers,
10 ranchers, and forest land owners in emerging
11 environmental services markets; and

12 “(C) any recommendations of the Sec-
13 retary relating to reauthorization of this sec-
14 tion.

15 “(d) FUNDING.—There are authorized to be appro-
16 priated to the Secretary to carry out this section such
17 sums as are necessary for each of fiscal years _____
18 through _____.”.

19 **Subtitle F—State Technical** 20 **Committees**

21 **SEC. 2501. STATE TECHNICAL COMMITTEES.**

22 (a) COMPOSITION.—Section 1261(c) of the Food Se-
23 curity Act of 1985 (16 U.S.C. 3861(c)) is amended—

24 (1) by striking paragraphs (1) and (2) and in-
25 serting the following:

1 “(1) the Natural Resources Conservation Serv-
2 ice;

3 “(2) the Farm Service Agency;”;

4 (2) by redesignating paragraphs (6) through
5 (12) as paragraphs (8) through (14), respectively;
6 and

7 (3) by striking paragraph (5) and inserting the
8 following:

9 “(5) the Rural Business-Cooperative Service;

10 “(6) the Rural Housing Service;

11 “(7) the Rural Utilities Service;”.

12 (b) FACA REQUIREMENTS.—Section 1262(e) of the
13 Food Security Act of 1985 (16 U.S.C. 3862(e) is amend-
14 ed—

15 (1) by striking “The committees” and inserting
16 the following:

17 “(1) IN GENERAL.—The committees”; and

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

19 “(2) LOCAL WORKING GROUPS.—For purposes
20 of the Federal Advisory Committee Act (5 U.S.C.
21 App.), any local working group established under
22 this subtitle shall be considered to be a sub-
23 committee of the applicable State technical com-
24 mittee.”.

1 (c) REPORTING ON RECOMMENDATIONS.—Section
2 1262 of the Food Security Act of 1985 (16 U.S.C. 3862)
3 is amended by adding at the end the following:

4 “(f) REPORTING ON RECOMMENDATIONS.—Each
5 State Conservationist shall periodically report to the ap-
6 propriate State technical committee, in a timely manner,
7 the disposition of recommendations of the State technical
8 committee provided under subsection (c).”.

9 **Subtitle G—Other Authorities**

10 **SEC. 2601. AGRICULTURAL MANAGEMENT ASSISTANCE.**

11 Section 524(b)(4)(B) of the Federal Crop Insurance
12 Act (7 U.S.C. 1524(b)(4)(B)) is amended by striking
13 “2007” each place it appears and inserting “2013”.

14 **SEC. 2602. AGRICULTURE CONSERVATION EXPERIENCED** 15 **SERVICES PROGRAM.**

16 The Department of Agriculture Reorganization Act
17 of 1994 (7 U.S.C. 6901 et seq.) is amended by adding
18 at the end the following:

19 **“SEC. 307. AGRICULTURE CONSERVATION EXPERIENCED** 20 **SERVICES PROGRAM.**

21 “(a) ESTABLISHMENT.—

22 “(1) IN GENERAL.—Notwithstanding any other
23 provision of law relating to Federal grants, coopera-
24 tive agreements, or contracts, there is established in
25 the Department the agriculture conservation experi-

1 enced services program (referred to in this section as
2 the ‘ACE program’).

3 “(2) AUTHORIZATION.—Under the ACE pro-
4 gram, the Secretary may offer to enter into agree-
5 ments with nonprofit private agencies and organiza-
6 tions that have received grants for the applicable fis-
7 cal year under title V of the Older Americans Act
8 of 1965 (42 U.S.C. 3056 et seq.) to use the talents
9 of individuals who are age 55 or older, to provide
10 conservation technical assistance in support of the
11 administration of conservation-related programs and
12 authorities administered by the Secretary.

13 “(3) FUNDING.—Agreements described in para-
14 graph (2) may be carried out using funds made
15 available to carry out—

16 “(A) conservation-related programs af-
17 fected by the ACE program; or

18 “(B) title V of the Older Americans Act of
19 1965 (42 U.S.C. 3056).

20 “(b) DETERMINATION.—Prior to entering into an
21 agreement described in subsection (a)(2), the Secretary
22 shall determine that the agreement would not—

23 “(1) result in the displacement of individuals
24 employed by the Department, including partial dis-

1 placement through reduction of nonovertime hours,
2 wages, or employment benefits;

3 “(2) result in the use of an individual covered
4 by this section for a job or function in a case in
5 which a Federal employee is in a layoff status from
6 the same or a substantially-equivalent job or func-
7 tion with the Department; or

8 “(3) affect existing contracts for services.

9 “(c) TECHNICAL ASSISTANCE.—The Secretary may
10 make available to individuals providing technical assist-
11 ance under an agreement authorized by this section appro-
12 priate conservation technical tools, including the use of
13 agency vehicles necessary to carry out technical assistance
14 in support of the conservation-related programs affected
15 by the ACE program.”.

16 **SEC. 2603. SMALL WATERSHED REHABILITATION PRO-**
17 **GRAM.**

18 Section 14 of the Watershed Protection and Flood
19 Prevention Act (16 U.S.C. 1012) is amended by striking
20 subsection (h) and inserting the following:

21 “(h) AUTHORIZATION OF APPROPRIATIONS.—There
22 are authorized to be appropriated such sums as are nec-
23 essary to carry out this section for each of fiscal years
24 2008 through 2013”.

1 **SEC. 2604. RESOURCE CONSERVATION AND DEVELOPMENT**
2 **PROGRAM.**

3 (a) **LOCALLY-LED PLANNING PROCESS.**—Section
4 1528 of the Agriculture and Food Act of 1981 (16 U.S.C.
5 3451) is amended—

6 (1) in paragraph (1), in the matter preceding
7 subparagraph (A), by striking “planning process”
8 and inserting “locally-led planning process”;

9 (2) by redesignating paragraphs (8) and (9) as
10 paragraphs (9) and (8), respectively, and moving
11 those paragraphs so as to appear in numerical order;

12 (3) in paragraph (8) (as so redesignated)—

13 (A) by striking “(8) **PLANNING PROCESS**”
14 and inserting “(8) **LOCALLY-LED PLANNING**
15 **PROCESS**”; and

16 (B) by striking “council” and inserting
17 “locally-led council”.

18 (b) **AUTHORIZED TECHNICAL ASSISTANCE.**—Section
19 1528(13) of the Agriculture and Food Act of 1981 (16
20 U.S.C. 3451(13)) is amended by striking subparagraphs
21 (C) and (D) and inserting the following:

22 “(C) providing assistance for the imple-
23 mentation of area plans and projects; and

24 “(D) providing services that involve the re-
25 sources of Department of Agriculture programs

1 in a local community, as defined in the locally-
2 led planning process.”.

3 (c) IMPROVED PROVISION OF TECHNICAL ASSIST-
4 ANCE.—Section 1531 of the Agriculture and Food Act of
5 1981 (16 U.S.C. 3454) is amended—

6 (1) by redesignating paragraphs (1) through
7 (4) as clauses (i) through (iv), respectively, and in-
8 denting appropriately;

9 (2) by striking “In carrying” and inserting the
10 following:

11 “(1) IN GENERAL.—In carrying”; and.

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

13 “(b) COORDINATOR.—

14 “(1) IN GENERAL.—To improve the provision of
15 technical assistance to councils under this subtitle,
16 the Secretary shall designate for each council an in-
17 dividual to be the coordinator for the council.

18 “(2) RESPONSIBILITY.—A coordinator for a
19 council shall be directly responsible for the provision
20 of technical assistance to the council.”.

21 (d) PROGRAM EVALUATION.—Section 1534 of the
22 Agriculture and Food Act of 1981 (16 U.S.C. 3457) is
23 repealed.

1 **SEC. 2605. NATIONAL NATURAL RESOURCES CONSERVA-**
2 **TION FOUNDATION.**

3 (a) **ADVISORY FUNCTIONS.**—Section 353 of the Fed-
4 eral Agriculture Improvement and Reform Act of 1996
5 (16 U.S.C. 5802) is amended—

6 (1) in subsection (b)(3), by striking “agencies”
7 and inserting “agencies, individuals,”; and

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

9 “(d) **ADVISORY FUNCTIONS.**—Notwithstanding the
10 requirements of the Federal Advisory Committee Act (5
11 U.S.C. App.), the Foundation may provide advice and rec-
12 ommendations to the Secretary.”.

13 (b) **GIFTS, DEVISES, AND BEQUESTS OF PERSONAL**
14 **PROPERTY.**—Section 354 of the Federal Agriculture Im-
15 provement and Reform Act of 1996 (16 U.S.C. 5803) is
16 amended by adding at the end the following:

17 “(h) **GIFTS, DEVISES, AND BEQUESTS OF PERSONAL**
18 **PROPERTY.**—

19 “(1) **IN GENERAL.**—Prior to the appointment
20 and initial meeting of the members of the Board,
21 during each of fiscal years 2005 through 2008, and
22 after the initial meeting of the Board, the Secretary
23 may, on behalf of the Foundation—

24 “(A) accept, receive, and hold nonmonetary
25 gifts, devises, or bequests of personal property;
26 and

1 “(B) accept and receive monetary gifts, de-
2 vise, or bequests.

3 “(2) HELD IN TRUST.—Gifts, devise, or be-
4 quests of monetary and nonmonetary personal prop-
5 erty shall—

6 “(A) be held in trust for the Foundation;
7 and

8 “(B) shall not be—

9 “(i) considered gifts to the United
10 States; or

11 “(ii) used for the benefit of the
12 United States.

13 “(3) TREASURY ACCOUNT.—The Secretary shall
14 deposit monetary gifts, devise, and bequests to the
15 Foundation in a special interest-bearing account in
16 the Treasury of the United States.

17 “(4) INITIAL GIFTS, DEVISES, AND BE-
18 QUESTS.—

19 “(A) IN GENERAL.—The Secretary may
20 use initial gifts, devise, or bequests received
21 prior to the first meeting of the Board for any
22 necessary expenses and activities related to the
23 first meeting of the Board.

24 “(B) TRANSFER.—Except with respect to
25 any amounts expended under subparagraph

1 (A), the Secretary shall, at the first meeting of
2 the Board, transfer to the Foundation all gifts,
3 devises, or bequests received prior to the first
4 meeting of the Board.”.

5 (c) OFFICERS AND EMPLOYEES.—Section 355(b)(1)
6 of the Federal Agriculture Improvement and Reform Act
7 of 1996 (16 U.S.C. 5804(b)(1)) is amended—

8 (1) by striking “Foundation—” and all that fol-
9 lows through “shall not,” in subparagraph (A) and
10 inserting “Foundation shall not”;

11 (2) by striking “employee; and” and inserting
12 “employee.”; and

13 (3) by striking subparagraph (B).

14 (d) CONTRACTS AND AGREEMENTS.—Section 356 of
15 the Federal Agriculture Improvement Reform Act of 1996
16 (16 U.S.C. 5805) is amended—

17 (1) in subsection (c)(7), by striking “State or
18 local” and inserting “Federal, State, or local”; and

19 (2) in subsection (d)(2)—

20 (A) by striking “A gift” and inserting the
21 following:

22 “(A) IN GENERAL.—A gift”; and

23 (B) by at the end the following:

24 “(B) TAX STATUS.—A gift, devise, or be-
25 quest to the Foundation shall be treated as a

1 gift, devise, or bequest to an organization ex-
2 empt from taxation under section 501(c)(3) of
3 the Internal Revenue Code of 1986.”.

4 **SEC. 2606. DESERT TERMINAL LAKES.**

5 Section 2507(a) of the Farm Security and Rural In-
6 vestment Act of 2002 (43 U.S.C. 2211 note; Public Law
7 107–171) is amended by striking “the date of enactment
8 of this Act” and inserting “the date of enactment of **【***the*
9 *2007 Farm Bill***】**”.