

Conservation Title
Draft Section-by-Section
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Sec. 2001. Definitions.

- Adds definitions for beginning farmer and rancher, socially disadvantaged farmer, state executive director, and state conservationist.
- Clarifies that highly erodible land is land which is exceeding the soil tolerance level.

Sec. 2101. Program Ineligibility.

- Adds crop insurance, noninsured crop insurance, and disaster payments to list of programs covered by conservation compliance.

Sec. 2102. Exemptions and Temporary Variances.

- Eliminates redundant or unnecessary exemptions, adds new headings to provide clearer structure.
- Allows for graduated penalties for compliance violations.

Sec. 2103. Notice and Investigation of Possible Compliance Deficiencies.

- Removes local USDA officials from role of investigating, determining, and enforcing violations and places that function on the NRCS state conservationist and the FSA state executive director.
- Provides a mechanism to investigate reported violations and requires a joint record of decision by NRCS and FSA.
- Requires individuals found in violation to be given information necessary to come back into compliance.
- Individuals have 1 year to take corrective action.
- Provides for an appeal process to National Appeals Division.

Sec. 2121. Grassland Conservation.

- Adds sodsaver provision that prohibits the receipt of farm program benefits on land that is broken out of rangeland or native grassland.
- Applies to rangeland and native grassland not listed as cropland on USDA maps, but does not apply to such land if the producer can demonstrate that the land was in crop production before July 1, 2007.
- Affected programs include commodity programs, crop insurance, disaster payments, and conservation programs.
- Exempts land in CRP.

Sec. 2201. Wetland Conservation.

- Adds crop insurance, noninsured crop insurance, disaster payments, and conservation payments to list of programs covered

- Eliminates existing graduated penalty provision, relying instead on provisions in Sec. 1222 that eliminate penalties if there is a minimal effect or good faith determination, or a mitigation plan.
- Adds a new section to provide for consultation with Fish and Wildlife Service.

Sec. 2301. Contract and Easement Modifications and Terminations.

- Allows contracts and easements to be modified if the current owner agrees and the Secretary determines the change is desirable.
- Allows contracts and easements to be terminated if the current owner agrees and the termination is in the public interest.
- Requires donation of additional easement land or payment of monetary compensation to fully mitigate any loss in conservation.
- Requires the Secretary to use funds obtained from a modification or termination to purchase additional easements.

Sec. 2302. Compliance and Performance.

- Requires the Secretary to develop procedures for all conservation programs to monitor compliance, measure program performance, and demonstrate whether the long term conservation benefits of the program are being achieved.

Sec. 2311. Conservation Reserve Program.

- CRP is extended to the end of the farm bill.
- Purpose of CRP expanded to include assisting the recovery of rare, threatened, endangered, and candidate species.
- Makes cropland that will be used for a waterway or buffer strip eligible for CRP regardless of cropping history.
- Eligible land is expanded to include marginal pastureland that is otherwise ineligible if native vegetation is grown and the land contributes to the restoration of an endangered ecosystem or a rare and declining forest ecosystem.
- Maintains enrollment cap at 39.2 million acres.
- Requires that to the extent practicable 7 million acres be enrolled in continuous sign-up and the Conservation Reserve Enhancement Program, including at least 500,000 acres per year.
- Clarifies that approved vegetative cover does not include plants that are inappropriate to the ecosystem.
- Requires operator to use active management as appropriate.
- Clarifies that managed harvesting and grazing outside of nesting and brood rearing season is permitted if it is part of the conservation plan, is consistent with State or ecosystem-specific criteria established by the secretary, and CRP payments are reduced proportionately.
- Requires that the practices in the conservation plan are:
 - compatible with wildlife and wildlife habitat
 - clearly described and applicable through the duration of the contract
 - consistent with the Secretary's priorities for local conservation management priorities.

- Changes the “may” to a “shall” with regard to the criteria that shall be considered in choosing contract offers and adds the consideration of native species compatible with local pollination activities, improving habitat for at risk species, and addressing state and local priority resources of concern.
- Requires the Secretary to adjust the number of points awarded under the environmental benefits index to give priority to applicants that benefit rare, threatened, endangered, and candidate species, further the goals of state wildlife plans, and assist in reaching and exceeding the threshold for priority resources concerns.
- Allows the Secretary to enroll land based solely on its value to wildlife, regardless of other environmental benefits if a contract would assist the recovery of rare threatened or endangered species.
- For new enrollments, requires that if land provides equivalent environmental benefit to a competing offer, then the Secretary must, to the maximum extent practicable, accept an offer from an owner or operator that is a resident, allows public access, or submits a bid below local rental rates.
- Requires the Secretary to conduct mid-contract compliance reviews.
- Requires the Administrator of the Farm Service Agency to obtain the concurrence of the Chief of the Natural Resources Conservation Service for non-administrative decisions or actions.
- Allows beginning and socially disadvantaged farmers, who make an agreement to farm land coming out of CRP and complete a conservation plan, to make improvements on the land and to begin the organic certification process one year before the termination of the CRP contract. The beginning farmer is also offered the opportunity to enroll in CSIP and the opportunity to re-enroll the land in continuous CRP. The Secretary may compensate the farmer who is transferring land to a beginning or socially disadvantage farmer, with up to 2 years of CRP payments beyond the end of the CRP contract.
- Requires all CRP land, except CREP and continuous sign-up, to compete with other contract offers in order to reenroll.
- Requires the Secretary establish a limit on the number of times a producer may enroll in CRP while maintaining their crop base or allotment history. Allows producer to exceed limit if crop history is permanently retired.
- Removes WRP from 25% county acreage limitation cap.

Sec. 2321. Wetland Reserve Program.

- Adds definition of a Wetland Reserve Agreement that includes permanent easements, 30-year easements, and 30-year Tribal agreements.
- Expands eligibility to floodplains.
- Cuts the overall 2,275,000 acre cap on WRP enrollment and goes to a 250,000 acre annual enrollment.
- Caps enrollment of floodplains at 10% of the total WRP acres.
- Extends program to the end of farm bill.

- Allows Secretary to use negative restrictive easements that allow economic uses on floodplain land provided there are significant savings in easement acquisition costs.
- Adds that floodplain land is eligible if it -
 - maximizes wildlife benefits and floodplain values and functions;
 - lies within a 100 year floodplain;
 - was converted before enactment of 2007 farm bill;
 - is land where the floodplain values justify the costs; and
 - would contribute to the restoration of the flood storage and flow.
- Extends eligibility to riparian areas.
- Makes the following land ineligible -
 - land where restoration practices would not be productive;
 - land already sufficiently protected under an easement or deed restriction;
 - land that would not meet the purposes of WRP.
- Requires implementation of management activities to improve wetland and floodplain functions and values.
- Clarifies that restoration cost-share agreements require agreements to restore wetland.
- Allows compatible economic uses if they are specifically permitted by the plan and consistent with the environmental goals.
- Allows floodplain land to be planted with flood-tolerant crops and native vegetation.
- Effectively includes working land option by allowing WRP agreements to exclude haying and grazing rights if consistent with environmental goals and provided there is a significant reduction in acquisition cost.
- Allows third parties to purchase easements and make contracts. However, if a third party is making the agreement then the federal share of the cost shall not exceed 50%. Allows the landowner to contribute up to 25% of the fair market value of the land.
- Clarifies that the Uniform Relocation Assistance and Real Property Acquisition Policies Act does not apply to land considered for enrollment in WRP.
- Allows the Secretary to use financial contributions from federal or non-federal sources.
- Requires the Secretary to cooperate with the Secretary of the Interior and the Secretary of Commerce to make available safe harbor or similar assurances for producers who are implementing conservation practices designed to protect endangered or threatened species.
- Requires that management plans be updated every five years.
- Requires that easements values be determined in accordance with the method of valuation used by the Secretary on January 1, 2003.
- Stipulates that payments may be made in one lump sum or in annual payments over 2 to 10 years.
- Allows the Secretary to pilot different types of wetland easement agreements.
- Creates a WRP enhancement program.

- Allows owners to use federal, state, tribal, local, or NGO funds to pay their percentage of the cost share.
- Provides that 30-year Tribal contracts are to be paid at the same rate as 30-year easements.
- Requires the Secretary to consider certain criteria in ranking offers including,
 - conservation benefit;
 - cost-effectiveness; and
 - whether the landowner or third party is contributing financially.
- Lists additional ranking criteria for both wetlands and floodplains.
- Provides priority to offers that include at-risk species.
- Allows the Secretary to prioritize a contract that allows public access if two competing offers are environmentally equivalent.
- Allows Secretary to exchange floodplain land for other similar land if it is in the best interest of the government.
- Allows the Secretary to transfer a WRP agreement to a third party.
- Provides for the temporary administration of WRP under current law until final regulations are in place.

Sec. 2331 Conservation security program.

- States that the conservation security program will not be in effect during the years when the comprehensive conservation incentives program is in effect.
- States that existing contracts will still be funded.

Sec. 2341. Farmland and Ranch Land Protection Program.

- Establishes a combined easement program with two distinct sections – farmland protection and ranchland protection – and extends the program to the end of the farm bill.
- Defines eligible entities and eligible land for each section.
- For Farmland Protection section:
 - Secretary is to enter into cooperative agreements with eligible entities for the entities to purchase permanent easements.
 - Retains purpose of protecting topsoil
 - Allows the Secretary to accept and use contributions of non-Federal funds to administer the sections.
 - Prohibits bidding down.
 - Requires Secretary to use appraised fair market value
- For the Ranchland Protection section:
 - Secretary may enroll land either through a cooperative agreement with an eligible entity or directly enroll land with a producer through 30-year contracts, 30-year easements, or permanent easements.
 - Allows eligible land to be transferred into the section from the conservation reserve to if it is of high ecological value and under significant threat of conversion. Limits transfers to no more than 10% of program funds.
 - Allows the Secretary to accept and use contributions of non-Federal funds to administer the sections.

- Prohibits bidding down.
 - Allows the secretary to pay 100% of the cost of restoration for permanent easements and 75% of the costs of restoration for 30 year agreements.
- Requires the Secretary to cooperate with the Secretary of the Interior and the Secretary of Commerce to make available safe harbor or similar assurances for producers who are implementing conservation practices designed to protect endangered or threatened species.
- Limits funding from Secretary to easements involving third parties to no more than 50% of the cost.
- Requires agreements with third parties to:
 - Show that the third party is qualified;
 - Identify a specific project or a range of projects funded under the agreement but also allow substitution of other qualified projects;
 - Describe procedures for evaluating and reporting on the use of funds;
 - Use appraisals that comply with the Uniform Standards of Professional Appraisal Practice (in lieu of compliance with the Uniform Appraisal Standards for Federal Land Acquisitions developed by the Interagency Land Acquisition Conference);
 - Only use program funding for 50% or less of the cost; and
 - Allow donations from landowners of up to 25 percent.
- Allows the Secretary to maintain a contingent right but specifies that the contingent right is not a Federal acquisition of real property.
- Highly erodible cropland must be subject to a conservation plan that may require the conversion of the cropland to less intensive use.
- Allows the third parties to require that landowners have conservation plans, including plans that prevent more intensive use of the land.
- Requires the Secretary limit the impervious surfaces to 20 percent of the first 10 acres, 5 percent of the next 90 acres, and 1 percent of any additional acres.
- Allows easements to be modified or terminated if the owner and the secretary agree.
- Allows the Secretary to transfer titles to third parties.
- Requires eligible entities to establish and fund an escrow account.
- Allows the Secretary to modify easement if owner agrees and Secretary determines modification is necessary.
- In cases where Secretary holds sole title to a conservation easement, the Secretary is allowed to transfer it to an eligible entity if the owner agrees, the transfer achieves the goal of the program, and the eligible entity agrees to assume the costs incurred for managing the easement and establishes an escrow account.
- Allows the Secretary to terminate an easement if the owner agrees, the Secretary determines it is in the public interest, and the owner compensates the Secretary for the cost of the easement and reimburses administrative expenses.
- Existing law remains in effect until final regulations are promulgated.

Sec. 2361 Environmental quality incentives program.

- States that the environmental quality incentives will not be in effect during the years when the comprehensive conservation incentives program is in effect.

- States that existing contracts will still be funded.

Sec. 2371. Environmental quality and stewardship. (note: italicized section numbers below refer to Subtitle D of the Food Security Act of 1985):

Sec. 1240AA Purposes and Definitions

- Creates new Comprehensive Stewardship Incentives Program.
- Identifies purposes for the program to promote agricultural production and environmental quality as compatible goals.
- Defines terms

Sec. 1240BB Establishment

- Establishes program with two sections:
 - an environmental quality section providing cost share and incentive payments, and
 - a stewardship section providing stewardship enhancement payments.
- Allows the use of EQ section funds to provide technical assistance with approved third party TSPs.

Sec. 1240CC. Eligibility

- Requires that all producers to submit an offer to participate, receive technical assistance from either the Secretary or an approved provider, and enter into a contract.
- Requires stewardship section producers to address at least 1 priority resource of concern to the stewardship threshold, address all resources at a level to be determined by the secretary, and have a plan to address all priority resources of concern by installation of new systems, practices, activities and management measures, and improvement of existing systems, practices, activities and management measures.
- Makes the program available to private agricultural land with the exception of forest land, which would be eligible for the environmental quality section only.
- Excludes land enrolled in the Conservation Reserve Program or the Wetland Reserve Program (other than land enrolled under the working land provision of WRP). Excludes land recently converted to cropland.
- Requires that water conservation practices retain the water savings in the source for the useful life of the conservation measure.

Sec. 1240DD. Contracts

- Sets out general requirements for contracts.
- Provides additional requirements for stewardship section contracts, to describe how existing and new practices would be used to meet the stewardship threshold for the priority resources of concern being addressed in the contract, and to describe any on-farm research, demonstration, or pilot project activities under the stewardship contract.
- Provides mechanisms for both voluntary and involuntary termination of contracts, changes in land, operations, production or modification of contracts.

- Provides that producers under any contract in the program would not be held in violation of the contract due to circumstances beyond the control of the producer.
- Requires that for stewardship contracts, all areas of the agricultural operation would be covered, that each contract would address priority resources of concern to the stewardship threshold by the end of the stewardship contract, and that the contracts may include on-farm research, demonstration activities, and pilot testing of new conservation technologies and practices. Coordinates the stewardship section with organic certification. Provides for renewal for producers who have complied with the existing contract and agree to adopt new practices to further improve environmental performance.
- Provides a mechanism for evaluate offers, prioritizing those that provide environmental benefits at least cost, those that provide benefits most effectively and comprehensively, those that provide higher levels of environmental performance, and other provisions.
 - For environmental quality section contracts, prioritizing those that achieve the stewardship threshold on one or more resource of concern, and those that involve operations with substantial and sound environmental management systems that further improve the environmental performance of that system.
 - For stewardship contracts, prioritize those that reflect high levels of conservation treatment on all resources of concern, increase the level of performance, and those that include land transitioning out of CRP if they are maintained in a grass-based system and would assist with the recovery of a threatened, endangered or candidate species.
- Allows for 1 simultaneous contract with both of the two sections.

Sec. 1240EE Payments

- Requires that contracts not be accorded higher priority for the applicant's willingness to accept a lower payment than the applicant would otherwise receive, and use lowest-cost alternatives to the maximum extent practicable.
- Disallows payments for practices and activities for which there is no net cost to the producer.
- Requires payments to be made in such amounts and on such time schedule as is agreed on and specified in the contract.
- Provides for a conservation planning and assessment payment to develop and periodically update a comprehensive conservation plan.
- Requires direct attribution of conservation funds under the program, with a cap of \$180,000 during any 6-year term for all environmental quality section contracts and a cumulative cap of \$180,000 for stewardship section contracts.
- Provides for up to 75% cost share under environmental quality section contracts, except that socially disadvantaged and beginning farmers and ranchers could receive 90% or 15% above prevailing cost share rate.
- Allows for cost share from other sources, but disallows cost share if the same practice is receiving cost share from another federal program.
- Provides for incentive payments to encourage a producer to adopt eligible practices, with different rates for variation in cost and environmental value, with

- more advanced management practices yielding greater benefits receiving higher payments.
- Requires that 60% of funds under the environmental quality section be targeted at livestock production practices.
 - Provides that, in allocating environmental quality funds to states, the secretary will give significant consideration based on the extent and magnitude of environmental problems associated with agriculture in the state and the degree to which the program would be effective in helping producers solve resource problems, and the degree to which funds in the state are being used for special projects addressing resource challenges.
 - Provides for special funding arrangements with Tribes and Alaska Native Corporations.
 - Allows for stewardship contracts to pay enhancement payments for ongoing implementation and maintenance of conservation practices and activities, and the installation of new practices and activities, adjusted to reflect management intensity or the use of resource specific indices.
 - Allows for payments for on-farm research, demonstration and pilot projects.
 - Stewardship contracts would provide for structural practices that support site-specific management activities that are part of an implemented management system.
 - Prohibits stewardship contracts from providing for design, construction or maintenance of animal waste storage.
 - Requires stewardship payments to be made as soon as practicable after October 1, and for new practices, as the practices are adopted or installed.
 - Allows on-farm research, demonstration and pilot project payments to exceed the overall cap by up to \$20,000 over the life of a stewardship contract.

Sec. 1240FF Duties of Producers

- Requires producers to implement the contract and not defeat the purposes of the program.
- Provides for remedies of the Secretary for contract violations.
- Provides for other duties of the producer.
- Requires that if applicable, a confined livestock feeding operation develop a comprehensive nutrient management plan.
- In addition, producers with stewardship contracts would have to implement new conservation systems as provided in the contract, and to maintain records that demonstrate compliance with the contracts.

Sec. 1240GG Duties of the Secretary

- Requires the Secretary to assist the producer in achieving the conservation goals of the contract by identifying state-level priority resources of concern, providing information and training to aid in implementation of the practices, developing agreements with other entities to assist in providing technical assistance, making the program available on a continuous enrollment basis, and by setting requirements for identifying animal and plant life resource issues.

- Requires the secretary to provide cost share and incentive payments under the environmental quality section.
- Requires the elimination of duplicative planning activities.
- For the stewardship section, requires the Secretary to identify at least 3 but no more than 5 priority resources of concern within a watershed or region of a state, maintaining resource-specific indices, and maintaining data on contracts and payment.
- Requires that 15.5 million acres be enrolled in the stewardship section at a national average cost of \$19 per acre, and that the Secretary establish a minimum contract value to ensure equity for small acreage farms, including specialty crop producers.

Sec. 1240HH Regulations

- Provides for the Secretary to promulgate regulations within 180 days of enactment of the program.

Sec. 1240MM. Conservation Innovation Grants

- Reauthorizes grants program within environmental quality section of CSIP to stimulate innovative approaches for environmental enhancement on agricultural and forested land.
- Expands examples of eligible projects to include the development of biomass and cellulosic feedstocks, fish and wildlife projects, pollinator and bird species habitat, alternative energy projects such as solar and wind, grazing management, wildfire presuppression systems, and nutrient, pesticide and odor reduction.
- Seeks to increase participation by specialty crop producers, organic farmers, precision agriculture farmers, ranchers, and forest land owners.

Sec. 1240NN. Organic Conversion

- Establishes a new program within environmental quality section of CSIP to provide cost share and incentive payments to producers undergoing conversion to organic agriculture on some or all of their operations.
- Covers land not previously certified as organic.
- Provides technical and financial assistance for conservation management or practices, required animal welfare measures, organic system planning, or other measures consistent with an approved organic plan.
- Requires eligible producers to protect soil, water, wildlife, air and other natural resources; receive technical assistance, and submit an annual verification by a certifying entity to determine compliance with organic certification requirements.
- Stipulates that contracts may be not less than 3 years, nor more than 4 years, and that costs may not exceed \$20,000 per year or a total amount of \$80,000.
- Allows Secretary to terminate contract for non compliance.
- Prohibits Secretary from entering into any new contracts with producers for any particular commodity if the Secretary determines that an increase in the production of that commodity would adversely affect the economic viability of producers already engaged in producing that commodity.

- Stipulates that, to the maximum extent practicable, 50% of the technical assistance funds shall be used for competitive cooperative agreements with groups having demonstrated expertise in advising producers in establishing and maintaining organic production systems.

Sec. 1240OO. On-Farm Energy Production

- Establishes a new emphasis within the environmental quality section of CSIP to promote on-farm energy production by providing cost-share payments to producers.
- Covers solar energy, wind energy, and renewable fuels.
- Provides ranking criteria.
- Makes individuals who receive a grant under section 9006 of the rural development title ineligible.
- Limits the amount an individual may receive, either directly or indirectly, to \$25,000.

Sec. 1240PP. Wildfire Presuppression Fuel Management

- Establishes a new emphasis within the environmental quality section of CSIP to promote the presuppression of fire on grazing lands through cost share and incentive payments.
- Places focus on helping prevent the occurrence, spread-of, and damages caused by wildfires fueled by invasive or noxious weed species.
- Covers managed fuel breaks between public and private land to reduce fuel load; restoration of fire-damaged areas, protection of critical wildlife habitat, and reducing fuel loads associated with woody plant species.

Sec. 1240QQ. Regional Water Enhancement Program

- Establishes a new grants program within the environmental quality section of CSIP to improve water quality and water conservation on working agricultural land on a regional scale, including irrigation districts, watersheds, and drainage districts.
- Eligible entities defined as ‘partner’ and include state and local governments, tribes, NGOs, water districts, producer associations, and others.
- Requires NRCS and State Technical Committees to identify key water quality or quantity priorities for specific regions.
- Allows Secretary to award grants or enter into cooperative agreements or contribution agreements with partners.
- Grants and agreements are to be competitive, focus on a limited number of issues, include performance incentives, and identify performance targets.
- Projects may be renewed after an evaluation by the Secretary.
- Provides up to 5% of the funds in the environmental quality section to be used for this purpose.

Section 2381. Conservation of Private Grazing Land.

- Extends the program through the end of the farm bill.

Section 2382. Reauthorization of Wildlife Habitat Incentive Program.

- Extends the program through the end of the farm bill.

Section 2383. Grassroots Source Water Protection Program.

- Extends the program through the end of the farm bill.

Section 2384. Great Lakes Basin Program for Soil Erosion and Sediment Control.

- Extends the program through the end of the farm bill.

Section 2385. Farm Viability Program.

- Extends the program through the end of the farm bill.

Section 2386. Discovery Watershed Demonstration Program.

- Establishes that the Secretary shall carry out a demonstration program in states of the Upper Mississippi River basin to promote the most cost effective and efficient ways of reducing nutrient loss to surface waters.
- The selection of small watersheds will be done by an advisory committee of the State Technical Committee made up of individuals with expertise in nutrient management, environmental stewardship, methods for measuring outcomes or other appropriate areas of knowledge. Selection will be based on whether:
 - reducing nutrient loss would result in measurable improvements in water quality;
 - a project would use innovative approaches and attract a high level of producer participation;
 - a project could be implemented by a third party;
 - demonstrates market based approaches;
 - a project would get funding from other sources; and
 - baseline water quality data and monitoring could be reasonable and readily collected.
- Authorizes \$20 million for FY 2008, \$25 million for FY 2009 and FY 2010, and \$30 million for FY 2011 and FY 2012.

Section 2387. Emergency Landscape Restoration Program.

- Establishes the emergency landscape restoration program to rehabilitate cropland, grasslands, and private nonindustrial forest lands adversely affected by natural catastrophic events.
- Entities eligible for assistance are neighborhood associations and city, county or regional governments, including watershed councils and conservation districts.
- Individuals eligible for assistance include producers, ranchers, operators, private nonindustrial forest landowners, and landlords on working agricultural land.
- Provides source of financial assistance for restoring and protecting natural resources, preventing further impairment of land and water, and streamlining and simplifying legal authorities and funding.
- Prioritizes applications that protect human health and safety.

- Provides technical assistance and cost-share payments up to 75% of the cost of remedial activities to rehabilitate watersheds.
- Remedial activities include debris removal, streambank stabilization, establishment of cover, restoration of fences, construction of conservation structures, providing livestock water in drought situations, restoring nonindustrial private forestland (including removal of damaged standing trees and downed timber).
- Authorizes discretionary funding of such sums as are necessary.
- Requires secretary provide emergency restoration through existing law until final regulations are issued.

Section 2401. Funding and Administration.

- This section updates the fiscal years and funding levels.

Section 2402. Regional Equity

- This section provides a minimum base amount of \$18,000,000 for each fiscal year from 2008 through 2013 for the Wildlife Habitat Incentives Program, the Farmland and Ranch Land protection program, and the Environmental Quality section of the Comprehensive Stewardship Incentives Program. These funds are in addition to funds made available under Partnerships and Cooperation authority.

Section 2403. Conservation Access.

- Requires 10% of conservation program funds be used to assist beginning and socially disadvantaged farmers and ranchers. Any unused funds are to be repooled and made available to all persons eligible for assistance under appropriate conservation programs.
- Expands uses of Conservation Innovation Grants (found under CSIP) to include technology transfer, farmer-to-farmer workshops, and demonstrations of innovative conservation practices targeted to beginning and socially disadvantaged farmers and ranchers.
- Requires, to the maximum extent practicable, the Secretary offer higher levels of technical assistance to beginning and socially disadvantaged farmers and ranchers.

Section 2404. Delivery of Technical Assistance.

- Expresses the purpose of technical assistance is to provide farmers, ranchers, non-industrial private forest owners, and interested individuals and organizations with consistent, science-based, site-specific practices to achieve conservation objectives.
- Secretary may provide technical assistance directly, through a contract with a third party provider, or, at the option of the producer, through a payment to the producer for a third party provider.
- The Secretary may enter into contracts with approved third-party providers to provide technical assistance to eligible producers or entities.
- Establishes that contracts for technical assistance with third-party providers will have a term of no more than three years.

- Establishes that education and outreach and administrative services are activities eligible for payment to third-party providers
- Directs the Secretary to review third-party provider certification requirements and to adjust requirements as needed to improve participation.
- Establishes Technical Service contracts that may be used to assist farmers, ranchers, non-industrial private forest owners, or other land owners to plan or install an eligible practice in any case where financial assistance is not requested or is not provided.
- Requires the Secretary to ensure that existing conservation practice standards fully incorporate specialty crops, organic and precision production systems, native and managed pollinators, bioenergy crop production, and forestry needs.
- Requires the Secretary to consult with producers, crop consultants, cooperative extension, nongovernmental organizations and other qualified entities in conducting a review of existing standards, and to implement an expedited process to effect needed revisions resulting from the review.
- Enhances technical assistance for specialty crop producers through cooperative agreements with other agencies and nongovernmental organizations, and use of local resources to provide technical assistance for planning and implementation of conservation practices.

Section 2405. Administrative requirements for conservation programs.

Partnerships and Cooperation—

- Identifies participating programs as the Wildlife Habitat Incentives Program Wetland Reserve Program, Comprehensive Stewardship Incentives Program, and the Farmland and Ranchland Protection Program.
- Requires the Secretary to designate special project that would involve owners, operators, and producers in:
 - Meeting federal environmental laws;
 - Meeting the purposes of the individual conservation programs;
 - Improving community development and rural economic conditions; and
 - Preserving agriculture and natural resources.
- Stipulates that agreements cannot exceed five years.
- Expands entities that the Secretary may enter into agreements with to include farmer cooperatives, universities, and private nonprofits.
- Requires the Secretary to provide financial assistance, basic administration and oversight, and the coordination of technical assistance.
- Requires the Secretary to adjust eligibility criteria, approved practices, practice standards, and other items to reflect unique local circumstances if doing so would improve the environment and be consistent with the affected program goals.
- Allows for incentive and bonus payments.
- Requires the Secretary to select applications using a competitive process.
- Requires the Applicant to include in the application a description of the:
 - problem to be addressed;
 - partners involved;
 - plan;
 - baseline data and methods for evaluation;

- amount of acres and funding needed;
- schedule for funding; and
- description of non federal resources being used.
- Requires the Secretary to consider a number of factors in selecting applications.
- Limits the Secretary to require no more than 25% matching funds and allows in-kind contributions to meet that limit.
- Requires the Secretary spend at least 5% and up to 10% of individual program funds on agreements under this section.
- Allows the Secretary to fund both State and multi-state projects.
- Allows the Secretary to award a limited number of planning grants.

Reports—

- Requires the Secretary complete an annual report detailing State-by-State expenditures on conservation programs broken down by 1) minority farmers, 2) beginning farmers, 3) payments to specialty crop growers, and 4) organic farmers.
- Requires the Secretary complete an annual report on easements.

Sec. 2406. Conservation programs in environmental service markets.

- Directs the Secretary to establish standards, including accounting procedures, reporting protocols and registries, and verification processes, so that producers can fully participate in environmental services markets.
- Requires the Secretary to collaborate and leverage existing activities and report to Congress on the progress of establishing standards.
- Directs the Secretary to establish a framework to facilitate the participation of farmers, ranchers and forest land owners in environmental services markets.
- Requires the Secretary to use a collaborative process and include private entities, academic experts and government agencies to establish the framework.
- Defines a ‘standard’ as a technical guideline that outlines accepted, science-based methods to quantify the environmental services benefits from agricultural and forest conservation and land management practices.
- Requires the Secretary, as part of the framework, to establish uniform standards; design accounting procedures, establish a protocol to report environmental services benefits; establish a registry to report and maintain the benefits; and establish a process to verify that a farmer, rancher or forest land owner has implemented the conservation or land management activity.
- Requires the Secretary to consider the role third party service providers could play in the verification of environmental services benefits.
- Requires the Secretary to coordinate and leverage existing activities in environmental services markets.
- Requires the Secretary to focus first on carbon markets.
- Allows the Secretary to delegate the responsibility for this activity to a relevant agency or office.
- Requires the Secretary to submit three reports to Congress:
 - 1) a status report within 90 days of enactment on the framework process;

- 2) an interim report within 180 days of enactment on the adequacy of existing research and methods to quantify environmental services benefits, proposals to establish technical guidelines, and recommendations;
- 3) a final report within 18 months of enactment on the progress made in this process; rates of participation by farmers, ranchers and forest land owners; and any recommendations.

Section 2501. State Technical Committees.

- Updates the names of the agencies that may be represented on State Technical Committees.
- Recognizes local work groups as subcommittees of the State Technical Committee and exempts them from FACA.
- Requires the State Conservationist to periodically report to the State Technical Committee on the disposition of recommendations.

Section 2601. Agricultural Management Assistance.

- Extends the program through the 2007 farm bill.

Section 2602. Agriculture Conservation Experienced Services Program.

- Establishes the Agriculture Conservation Experienced Services Program which authorizes the Secretary to enter into agreements with nonprofit private agencies and organizations to hire individuals 55 or over to provide assistance in administering conservation related programs.
- Provides that agreements are to be funded from conservation programs or title V of the Older Americans Act.
- Stipulates that agreements may not displace individuals employed by the Department.
- Allows the Secretary to provide tools, including agency vehicles, necessary to carry out the program.

Section 2603. Small Watershed Rehabilitation Program.

- Authorizes such sums as are necessary to carry out this section.

Section 2604. Resource Conservation and Development Program.

- Specifies that the planning process is a locally led.
- Clarifies that technical assistance includes implementation of area plans and projects.
- Clarifies that technical assistance includes times when the Secretary provides services that involve the resources of the Department in a local community as defined by the locally-led planning process.
- Requires the Secretary designate a coordinator for each council who will be directly responsible for technical assistance.
- Repeals the section requiring an evaluation of the program and an evaluative report to have been completed in 2005.

Section 2605. National Natural Resources Conservation Foundation.

- Expands the granting authority of the foundation to include grants to individuals.
- Allows the Foundation to provide advice to the Secretary.
- Allows gifts, devises, and bequests of personal property (monetary and nonmonetary) to be accepted, prior to initial meeting of the board, by the Secretary on behalf of the Foundation. These items are not considered gifts or benefits of the United States. Gifts received prior to the first meeting can be used by the Secretary for expenses of the first meeting then transferred to the Board.
- Cuts the cap on employee salaries.
- Expands foundation powers to enter into agreements with the federal government.
- Makes gifts to the foundation tax exempt.

Section 2606. Desert Terminal Lakes.

- Extends section.