Here’s a brief overview of some of the key changes in H.R. 2642, the Agricultural Act of 2014, compared to the 2008 farm bill.

**Title I: Commodity programs**

**Direct payments.**

A fixture of farm programs since the 1996 farm bill, direct payments are repealed for all covered commodities and peanuts, starting in 2014, however, cotton growers will be eligible for transition payments, based on 60 percent of their past direct payments for the 2014 crop and 36.5 percent for the 2015 crop years, in counties where the new STAX program is not available (see more on cotton, below).

**PLC or ARC.**

Growers will have a choice of either the Price Loss Coverage (PLC) counter cyclical program or the Agricultural Risk Coverage (ARC) revenue program (with a county or farm level option), with the exception of farms with 10 acres or less of planted acres of a covered commodity. There is an exception to the 10-acre requirement for socially disadvantaged or limited resource farmers. If no choice is made, USDA will assume PLC as a default. All producers on a farm are required to make the same election.

For the 2014-18 crop years, each farm has a one-time, irrevocable opportunity to elect either Price Loss Coverage (PLC) or county Agricultural Risk Coverage (ARC) on a crop by crop basis. The producer may also elect individual farm ARC, but this election applies to the entire farm. If no choice is made, the farm defaults to PLC. All producers on a farm must make the same election or face potential loss of payments for the 2014 crop.

Producers who select PLC will only receive payments if the U.S. average market prices for the crop year is less than the crop’s “reference” or target price (See prices for each commodity in table below). County ARC payments only occur when actual crop revenue is below the ARC revenue guarantee for a crop year.
Producers who elect ARC, must unanimously select whether to receive county or individual coverage, applicable to all of the covered commodities on the farm. If a grower selects ARC at the individual level, he or she must agree to stay in ARC for all commodities for the life of the farm bill.

Under ARC, 85 percent of base acres are covered for the county option, and at 65 percent for individual coverage.

County ARC payments are made when actual crop revenue dips below the ARC revenue guarantee for a crop year. The county ARC guarantee is 86 percent of county ARC benchmark revenue with coverage capped at 10 percent- limiting the coverage to between 76 – 86 percent of the country benchmark revenue. County revenue is based on an Olympic average of county yield and U.S. crop year average prices for the past five years.

Marketing loans are the same as current law for all commodities except cotton which is set an average of the prior two years and not more than 52 cents per pound or less than 45 cents per pound.

Target prices are those passed by the House and represent a significant increase from prior law.

<table>
<thead>
<tr>
<th>Crop</th>
<th>2010-12 Target Price</th>
<th>2014 Target Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat</td>
<td>$ 4.17 bushel</td>
<td>$ 5.50 bushel</td>
</tr>
<tr>
<td>Corn</td>
<td>$ 2.63 bushel</td>
<td>$ 3.70 bushel</td>
</tr>
<tr>
<td>Grain Sorghum</td>
<td>$ 2.63 bushel</td>
<td>$ 3.95 bushel</td>
</tr>
<tr>
<td>Barley</td>
<td>$ 2.63 bushel</td>
<td>$ 4.95 bushel</td>
</tr>
<tr>
<td>Oats</td>
<td>$ 1.79 bushel</td>
<td>$ 2.40 bushel</td>
</tr>
<tr>
<td>Long Grain Rice (with an adjustment for California medium grain)</td>
<td>$ 10.50 cwt.</td>
<td>$ 14.00 cwt.</td>
</tr>
<tr>
<td>Soybeans</td>
<td>$ 6.00 bushel</td>
<td>$ 8.40 bushel</td>
</tr>
<tr>
<td>Other oilseeds</td>
<td>$ 12.68 cwt.</td>
<td>$ 20.15 cwt.</td>
</tr>
<tr>
<td>Peanuts</td>
<td>$ 495 ton</td>
<td>$ 535 ton</td>
</tr>
<tr>
<td>Dry Peas</td>
<td>$ 8.32 cwt.</td>
<td>$11.00 cwt.</td>
</tr>
<tr>
<td>Lentils</td>
<td>$ 12.81 cwt.</td>
<td>$ 19.97 cwt.</td>
</tr>
<tr>
<td>Small chickpeas</td>
<td>$ 10.36 cwt.</td>
<td>$ 19.04 cwt.</td>
</tr>
<tr>
<td>Large chickpeas</td>
<td>$ 12.81 cwt.</td>
<td>$ 21.54 cwt.</td>
</tr>
</tbody>
</table>

Payment yields for PLC can be updated on a commodity-by-commodity basis, to 90% of the recent 5-year average yields, excluding crop years in which the acreage planted to the commodity is zero.
Payment acres for both PLC and ARC for each commodity are set at 85 percent of the sum of total base acres for each covered commodity and any generic base acres (former cotton base acres) on the farm planted to the covered commodity.

Base acres can be reallocated to better reflect crops planted between 2009 and 2012, but overall base acres on a farm cannot be increased.

With the PLC option, producers also have the choice to purchase a new crop insurance product (beginning in 2015) called Supplemental Coverage Option (SCO), which is a county level program that allows up to 86% of revenue coverage with a 65% premium subsidy.

**Cotton**

Cotton will transition away from the commodity program, giving growers a choice between the Stacked Income Protection Program (STAX) or the SCO. However, USDA is not expected to have STAX ready for implementation until later in 2015 and growers will be eligible for transition payments until STAX is available.

For 2014, the transition payment is 5.40 cents/lb. on 2013 cotton base acres and payment yield (based on 60 percent of the prior direct payments. If necessary to be made available in 2015, the rate would be 36.5 percent. There is a separate $40,000 limit on transition benefits.

The Market Assistance Loan (MAL) would be available on all production with the annual loan rate set by formula using average world price for most recent 2 years. The loan rate for base quality cannot be less than 45 cents/lb. or greater than 52 cents/lb. Current redemption rules and AWP calculation continue. Storage payments available when AWP is below principal plus interest.

Includes a provision eliminating sequester on MALs beginning in 2014. Economic Adjustment Assistance Program continues at 3 cents/lb. ELS cotton loan and competitiveness programs also continue.

**Base acres**

There is a one-time option to re-allocate base acres and also a one-time option to update yields. Reallocated acres cannot increase the base acres on a farm. The Secretary of Agriculture is directed to identify and eliminate base acres on land developed to non-farm uses.

**Payment limits**

The payment limit for all commodity programs (PLC, ARC, MLG) is $125,000 per person or $250,000 per couple, if both spouses are eligible. Peanut producers have an additional separate payment cap. Benefits derived from forfeiting nonrecourse loans are not included in the payment limit. Proposed subcaps by type of program were not included in the final conference report.
The two farm and non-farm income tests are replaced with a 3-year Adjusted Gross Income (AGI) limit on on-farm or off-farm income of $900,000 for certain commodity and conservation programs. If the AGI exceeds that level, program benefits are not allowed.

Relative to "actively engaged" eligibility criteria, USDA is given the authority to undertake a rulemaking to define the management criteria and potentially address the number of individuals per entity that can qualify based on providing management.

Sugar

Current sugar policy is extended for the 2012 through 2018 crop years.

Dairy

A new Dairy Producer Margin Protection Program is authorized, but without the controversial supply management feature. The MPP will provide dairy producers with indemnity payments when actual dairy margins are below the margin coverage levels the producer chooses on an annual basis, ranging from between and $4 and $8/cwt. The program is to be established no later than September 1, 2014. The MILC payments will be temporarily available for dairy producers until the implementation of the Margin Protection Program or September 1, 2014 – whichever occurs first.

Under the MPP, the “margin” will be calculated monthly by USDA and is defined as the all-milk price minus the average feed cost.

During year one of the MPP, coverage will be limited solely to the volume of milk equivalent to the producer’s production history. Production history is defined as the highest level of annual milk production during 2011, 2012 or 2013. In subsequent years, annual adjustments to the producer’s production history will be made based on the national average growth in overall US milk production as estimated by USDA. Any growth beyond the national average increase will not be protected by the program.

Producers will be able to select margin protection coverage at 50 cent increments beginning at $4 per cwt. through $8 per cwt. Premiums will be fixed for 5 years (through 2018), as follows:

<table>
<thead>
<tr>
<th>Marketings Under 4 Million Pounds</th>
<th>Marketings Over 4 Million Pounds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Coverage Level</strong></td>
<td><strong>Premiums</strong></td>
</tr>
<tr>
<td>$4.00</td>
<td>None</td>
</tr>
<tr>
<td>$4.50</td>
<td>$.01</td>
</tr>
<tr>
<td>$5.00</td>
<td>$.025</td>
</tr>
<tr>
<td>$5.50</td>
<td>$.04</td>
</tr>
<tr>
<td>$6.00</td>
<td>$.055</td>
</tr>
<tr>
<td>$6.50</td>
<td>$.09</td>
</tr>
<tr>
<td>$7.00</td>
<td>$.217</td>
</tr>
<tr>
<td>$7.50</td>
<td>$.30</td>
</tr>
<tr>
<td>$8.00</td>
<td>$.475</td>
</tr>
</tbody>
</table>
*Except for the premium at the $8.00 level, these premiums will be reduced by 25 percent for each of calendar years 2014 and 2015 and only for marketings under 4 million pounds.

Payments will be made to producers based on the percentage of their production history they have chosen to protect (25-90 percent) and the level of margin coverage they have selected ($4.50 to $8 per cwt). Payments will be distributed when margins fall below $4 (or below the selected level of coverage if a producer has selected a level above $4) for two consecutive months (defined as Jan-Feb, Mar-Apr, May-Jun, Jul-Aug, Sep-Oct, Nov-Dec).

Farmers will pay an annual administrative fee of $100 in order to access the new Margin Protection Program.

**Dairy Product Donation Program**

A new Dairy Product Donation Program would be triggered if margins fall below $4.00 for two consecutive months and would require USDA to purchase dairy products for three consecutive months, or until margins rebound above $4.00/cwt. The program would trigger out if US prices exceed international prices by more than 5%. Under this provision USDA would purchase a variety of dairy products to distribute to food banks or related non-profit organizations. USDA is required to distribute, not store, these products. Organizations receiving USDA purchased dairy products would be prohibited from selling the products back into commercial markets.

Eliminates the Dairy Product Price Support Program and the Dairy Export Incentive Program. The Federal Milk Marketing Order Review Commission established in the previous Farm Bill is also eliminated. As noted earlier, once the Margin Protection Program is up and running, the Milk Income Loss Coverage (MILC) program will also be eliminated.

Renews three existing dairy programs: the Dairy Promotion and Research Program, the Dairy Indemnity Program, and the Dairy Forward Pricing Program. The authority for all three programs is extended through 2018.

**Supplemental Agriculture Disaster Assistance Program**

Permanent authorization of $20 million to provide emergency relief to livestock producers, including honeybees and farm-raised fish.

The Livestock Indemnity Program, Emergency Livestock Assistance Program, and the Tree Assistance Program are all funded at a higher level than in the past, and payments will be made retroactively.

Suspends permanent price support authority, dating back to 1938 and 1949 laws for the life of this farm bill, from 2014 to 2018.

Provides the Secretary of Agriculture with $3 million to fund producer education via extension offices regarding commodity title options.
Title II: Conservation:

The bill consolidates 23 previous conservation programs into 13 programs and directs USDA to prioritize assistance to veteran farmers and ranchers. Technical assistance to farmers and ranchers are to be provided without additional fees.

Producers who receive farm program benefits must meet conservation compliance requirements.

No less than 270 days after enactment, the bill requires USDA to provide a report on the impact of conservation compliance on specialty crop producers.

Conservation Reserve Program

Enrollment in the Conservation Reserve Program is capped at the following levels.

- 27,500,000 acres in fiscal year 2014;
- 26,000,000 acres in fiscal year 2015;
- 25,000,000 acres in fiscal year 2016;
- 24,000,000 acres in fiscal year 2017;
- 24,000,000 acres in fiscal year 2018

Within the overall acreage cap, the bill allows for two million acres of grasslands to be enrolled in the CRP, and authorizes the Secretary to give priority to lands expiring from current CRP contract that retain grass cover. For farmed wetlands, conferees adopted the House cap of 750,000 acres, down from one million acres under current law.

Enrollment periods stay the same, but a special rule was added for land devoted to hardwood trees, shelterbelts, windbreaks or wildlife corridors under which the owner or operator can specify the duration of the contract, within certain limitations.

In exchange for a reduction of not less than 25% of the annual rental rate, producers can still engage those acres for managed harvesting of biomass and other commercial use, limited grazing, and the installation of wind turbines.

The Transition Incentives Program was reauthorized, which promotes the sale of land coming out of the Conservation Reserve Program to beginning farmers and ranchers. The program was maintained and provided with level funding of $33 million in funding over five years.

Conservation Stewardship Program

The Conservation Stewardship Program (CSP) is amended and continued through 2018 with a focus on priority resource concerns. Land that has not previously been planted, considered to be planted or cropped for 4 of 6 years prior to 2014 will not be eligible for CSP, with a few exceptions.
Conservation activities under the program mean conservation systems, practices and management measure designed to address one or more priority resource concerns. It also includes structural measures and land management measures, including agricultural drainage management systems. Payments will not be made for the design, construction or maintenance of animal waste storage or treatment facilities. CSP contracts will be for five years.

Between the date of enactment and Sept. 30, 2022, the Secretary shall enroll an additional 10 million acres for each fiscal year and achieve a national average rate of $18/acre which includes which shall include the costs of all financial assistance, technical assistance, and any other expenses associated with enrollment or participation in the program.

Producers who agree to adopt resource-conserving crop rotations can receive supplemental payments.

Ensures outreach and technical assistance to specialty crop and organic producers.

Payments to any one person or entity are capped at $200,000 under all contracts between 2014 and 2018.

**Environmental Quality Incentives Program (EQIP)**

The program is continued with at least 60% of the funds from 2014 to 2018 to be targeted at practices related to livestock production and at least 5% of the annual funds targeted at practices benefitting wildlife habitat.

A person or legal entity cannot receive more than $450,000 in cost-share or incentive payments under this program.

The Wildlife Habitat Incentive Program is now incorporated as a practice area under EQIP and funding is set at:

- $1,350,000,000 for fiscal year 2014;
- $1,600,000,000 for fiscal year 2015;
- $1,650,000,000 for fiscal year 2016;
- $1,650,000,000 for fiscal year 2017;
- $1,750,000,000 for fiscal year 2018.

**Agricultural Conservation Easement Program**

This program incorporates and combines the Wetlands Reserve Program, the Grasslands Reserve Program and the Farmland Protection Program and makes all easements permanent.

Funding is authorized at:

- $400,000,000 for fiscal year 2014;
- $425,000,000 for fiscal year 2015;
- $450,000,000 for fiscal year 2016;
$500,000,000 for fiscal year 2017; 
$250,000,000 for fiscal year 2018

In the conservation title, the Farm and Ranch Land Protection Program was consolidated into a conservation easement program and renamed the Agricultural Land Easements Program. Most of the program structure remains in place, but there are no specific priorities made for beginning farmers.

**Regional Conservation Partnership Program**

This program combines the agricultural conservation easement program, the Chesapeake Bay watershed program, the cooperative conservation partnership initiative, and the Great Lakes Basin program and encourages partners to work across states and regions to achieve conservation goals using the agricultural conservation easement program, the environmental quality incentives program and the conservation stewardship program.

Projects for this new program will be selected through a competitive, merit-based process, and producers will be encouraged to leverage partner resources to achieve common goals. Within the program is a Critical Conservation Area component that funds projects in areas with particularly significant water quality and quantity issues facing natural resource regulatory pressures.

Eligible partners include producers or groups of producers, a state or unit of government, and Indian tribe, a farmer cooperatives, an institution of higher education, and an organization with a history of working with producers on agricultural land. Provides $100 million annually for ten years and for a second infusion of funds.

**Sodsaver**

To protect native grass and prairie lands, the sodsaver provision expands protection of grasslands to five prairie pothole states and Nebraska.

**Conservation Innovation Grants (CIG)**

Provided on a competitive basis to encourage the development of new or improved conservation practices, CIG is geared toward projects that offer new approaches to providing producers environmental and production benefits. The Farm Bill added a new reporting requirement to increase program transparency.

Other provisions:

For 2014 to 2018, Commodity Credit Corporation Funds shall be used for technical assistance for implementing authorized conservation programs.

$10 million in new funding is provided for wetlands mitigation banks, operated by USDA or third parties.
USDA is required to report to Congress on all activities aimed at protecting the Lesser-Prairie Chicken.

Mandatory funding of $40 million is provided for the voluntary public access and habitat incentive program for 2014-2018 and requires a report on program effectiveness to be developed in 2 years.

The Small Watershed Rehabilitation Program continues with $250 million in funds, starting in 2014.

The definition of “Terminal Lakes” is clarified and the Secretary of Agriculture has the authority to offer grants to states for the purchase of private agricultural lands which are considered flooded with no natural outlet for drainage are at risk due to a history of federal assistance to address critical resource concerns. $25 million is authorized in discretionary funds for areas like Devil’s Lake, N.D., and $150 million from the Commodity Credit Corporation for other Western states.

**Conservation compliance and crop insurance**

Producers who already meet conservation compliance guidelines will not be required to implement any new practices, but producers who are subject to conservation compliance requirements for the first time as a condition of purchasing crop insurance will have a period of five years to move into compliance before losing crop insurance subsidies. Producers who are currently out of compliance on wetlands regulations will have two years to comply.

In the case of wetland conversion, a person will be considered ineligible for crop insurance premium subsidies during the following reinsurance year, unless certain exemptions apply. In cases where the violation involves less than five acres, a producer can pay a portion of the wetlands restoration and remain eligible for crop insurance.

**Title III: Trade**

The Market Access Program is reauthorized until 2018 and provides important matching funds to promote U.S. agricultural products in overseas markets.

The Foreign Market Development Program is reauthorized until 2018 to provide matching funds to nonprofit commodity or trade associations to aid in the long-term expansion of export markets for U.S. agricultural products.

Commodity Credit Corporation money may be used to finance a fund for technical assistance and capacity building for Brazilian cotton growers, once a dispute with that country over U.S. subsidies to its cotton industry is settled at the World Trade Organization.

Specialty crops are authorized to receive $9 million to fight technical barriers to trade for each year to 2018.
The Trade Title increases the maximum allowable cash assistance available for administrative costs in non-emergency programs from 13 to 20 percent of the total funds made available for the program. Also revises the list of purposes for which the cash assistance may be used. The managers expect that additional funds made available under this provision will provide increased flexibility to USAID.

The bill places greater emphasis on projects which focus on building resiliency in the recipient population where food shortfalls and droughts are common. This change is intended to prompt USAID to require measurable outcomes in multiyear projects in order to reduce dependency on foreign aid.

Funding is provided to food aid quality programs, which assess types and quality of agricultural commodities donated as food aid, for fiscal years 2014 through 2018, and gives the Administrator direction to adjust products and formulation of food products as necessary to meet nutrient needs of target populations and make other reforms.

Under the Food for Peace Act, the bill reauthorizes the Food Aid Consultative Group (the “Group”) through 2018 and adds representatives from the processing sector. It provides the Group at least 45 days for review and comment before a proposed regulation becomes final.

The bill provides $17 million per year for monitoring and evaluation for each of fiscal years 2014 through 2018, and permits up to $500,000 of those funds in each fiscal year to be used for maintaining information technology systems.

Section 403 of the Food for Peace Act is amended by requiring USDA and USAID to seek information on the potential monetization to local economies and to issue a report.

The minimum level of nonemergency assistance is set at $350 million for each fiscal year from 2014-2018 under the Food for Peace Act.

Allows the USAID Administrator to establish additional prepositioning sites for food aid products and increases funding to $15 million.

The Food for Peace Act is amended to require the annual report regarding food aid programs to include information on the actual beneficiaries of the programs and by specifying the report include the McGovern-Dole International Food for Education and Child Nutrition Program.

The bill provides not less than the greater of $15,000,000 or 0.6 percent of the funds made available to carry out the Farmer-to-Farmer program and adds a GAO report to review it.

The bill reauthorizes funding for the Export Credit Guarantee Program through 2018 and allows the Secretary to implement the program in a manner consistent with WTO obligations by including language authorizing the Secretary to adjust the program. The bill also reduces the maximum tenor for loan guarantees made available under the program to 24 months.
The Secretary of Agriculture is required to conduct a study on the market for the U.S. Atlantic Spiny Dogfish.

Reauthorization is provided for U.S. contribution to the Global Crop Diversity Trust for fiscal years 2014-2018 at current levels.

A new USDA Under Secretary position is established under the bill. The Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs is intended to provide a singular focus on trade and will bring unified, high-level representation to key trade negotiations.

The Secretary of Agriculture is required to propose a plan for reorganization of the trade functions of USDA and report on the plan 180 days after the farm bill’s enactment. Within one year of submission of the report, the Secretary needs to implement the plan, including establishment of the new Under Secretary position.

For fiscal years 2014 through 2018, $80 million is authorized each year to carry out local and regional food aid procurement projects, continuing a program started in the 2008 Farm Bill. Preference may be given to eligible organizations that have, or are working toward projects under the McGovern-Dole International Food for Education and Child Nutrition Program.

**Title IV: Nutrition:**

**SNAP:** The Supplemental Nutrition Assistance Program (SNAP) will take about $8 billion reduction in funding. The cuts were primarily achieved by boosting the minimum threshold for low-income fuel assistance to food stamp households. Under this practice, known as “heat-and-eat,” as little as $1 per year in fuel aid has been used to claim a higher utility deduction and trigger eligibility for food stamps. The compromise will require that the fuel aid minimum be upped to at least $20. Some of the savings will be reinvested in pilot programs. The legislation reauthorizes appropriations for the Supplemental Nutrition Assistance Program (SNAP) and related programs through fiscal year 2018.

**Bottles and Cans.** The bill prohibits the use of payment of cash to recipients of SNAP benefits for the return of empty bottles and cans used to contain food purchased with benefits provided under the program.

**Retail food stores.** It requires that retailers accepting SNAP benefits offer a variety of at least seven foods in each of the four staple foods categories. This is aimed at reducing fraud at retail stores by requiring a more rigorous standard for stores to become eligible to process SNAP benefits. Places additional preventative controls on electronic benefit (EBT) systems and requires that all retailer purchase invoices and other records be made available for auditing.

**Food distribution on Indian reservations.** Provides $1 million to study the feasibility of a demonstration project for Tribes to administer nutrition assistance in lieu of states.
Drug testing. The legislation does not allow for drug testing of SNAP applicants, but does bar individuals convicted of certain federal crimes from receiving benefits. The bill requires SNAP retailers to pay 100 percent of the cost of electronic benefit transfer machines, with some exemptions.

Medical Marijuana. The bill prohibits medical marijuana from being treated as a medical expense for purposes of income deductions. Five states had previously allowed for the deduction of medicinal marijuana as an allowable medical expense when calculating SNAP benefits.

The bill requires states to use an electronic immigration status verification system to verify SNAP applicants’ immigration status.

Requires USDA to implement a pilot program to allow states to operate EBT retailer fraud investigations.

Prevents USDA from conducting recruitment activities, advertising the SNAP program through television, radio and billboard advertising and from entering into agreements with foreign governments to promote SNAP benefits.

It requires states to reinvest performance bonus payments to prevent fraud and abuse and improve the administration of the SNAP program.

Community Food projects. Continues support for Community Food Projects while incorporating an increased food insecurity focus, along with hunger-free communities goals. Provides $9 million in annual mandatory funds.


The legislation grants the agriculture secretary authority to permit the donation, preparation and consumption of traditional native food in public facilities primarily serving Alaska Natives and American Indians.

Trafficking. Provides USDA with mandatory funding of $15 million in fiscal 2014 to remain available until used and authorizes $5 million per year to track and prevent SNAP trafficking.

Pulse crops. The bill creates a pilot project to purchase pulse crops (dry beans, dry peas, lentils, and chick peas) and pulse crop products for schools, authorizing up to $10 million in discretionary appropriations.

Job training. The bill creates a pilot program to allow up to ten states to engage able-bodied parents in Temporary Assistance for Needy Families (TANF)-type work and job training as part of receiving SNAP benefits. The House bill had provided that employment and training cost share funds were only available to states that adopt the work provisions within this section.
**State verification.** Requires states to submit an annual report to the Secretary showing how each state is verifying that its SNAP recipients are not receiving benefits in more than one state or being paid to deceased or disqualified individuals. Sets the penalty for failure to comply at up to 50 percent of the state’s administrative match.

**Convicted felons.** Bars individuals convicted of certain federal crimes and state offenses from receiving SNAP benefits.

**Farmers Market Nutrition Program.** Reauthorizes and continues to provide CCC mandatory funding of $20.6 million annually through 2018.

**Pilot project for canned, frozen and dried fruits and vegetables.** Reauthorizes the Fresh Fruit and Vegetable program without revision and adds a new section creating pilot project in schools in not less than five states to evaluate the impact of offering all forms of fruits and vegetables as part of the program.

**Regionally and locally produced food.** Directs the Secretary to carry out a pilot project in not more than eight states that provides flexibility in procuring unprocessed fruits and vegetables by allowing states to use multiple suppliers and products and by allowing geographic preference.

**Food insecurity Nutrition Incentive.** Amends the hunger free community grants to establish incentive grants for projects that incentivize SNAP participants to buy fruits and vegetables and limits federal cost share to 50 percent and provides $100 million in mandatory funding over five years and $5 million per year in discretionary authority.

**Dietary guidelines for Americans.** Requires that the guidelines include specifications for pregnant women and children under the age of two years by no later than 2020.

**Food and Ag service learning.** Creates a Food and Agriculture Service Learning Program under NIFA and structures it as a competitive grant program. Purposes include increasing the capacity for food, garden and nutrition education. Authorizes $25 million to be appropriated.

**Title V. Credit**

For real estate loan eligibility, the bill requires an owner-operator own at least 75 percent of an embedded entity and gives the USDA secretary authority to set the appropriate ownership level.

It gives authority to the Secretary to define the acceptable experience necessary to qualify for direct farm ownership loans.

Increases the maximum down payment loan to 45 percent of $667,000.

Removes term limits on guaranteed loans.

On the Conservation Loans and Loan Guarantee Program, the bill gives USDA discretion to allow alternative legal entities to qualify for conservation loans and increases the maximum
conservation loan guarantee to 80 percent and to 90 percent for socially disadvantaged farmers or ranchers and beginning farmers and ranchers. It authorizes the conservation loan program for $150 million through FY 2018.

The legislation eliminates the requirement that mineral rights be appraised.

USDA is given discretion to allow alternative legal entities to qualify for farm operating loans and allows an embedded entity of a borrower to be deemed eligible for an operating loan if the entity borrower owns at least 75 percent of the embedded entity.

The legislation eliminates the rural residency requirement for youth loans, and allows a borrower who defaults on a youth loan to still qualify for educational loans.

The bill authorizes the secretary to make operating loans of $35,000 to eligible borrowers with a total microloan indebtedness of $50,000 to any borrower.

The legislation expands the definition of a qualified beginning farmer or rancher to include “or other such legal entity,” and changes the acreage ownership limitation from 30 percent of the median acreage of farms in the county to 30 percent of the average acreage of farms in the county.

Adds a new priority for beginning farmer and rancher direct loans to applicants who apply under the down payment loan program or with joint financing arrangements. Establishes a floating interest rate with a floor of 2.5 percent for joint financing arrangements.

The legislation requires the Farm Credit Administration to review rules regarding compensation packages of senior officers in order to improve compensation disclosure. The managers support reasonable transparency practices at Farm Credit System institutions that support stockholders’ understanding of the operation of those institutions.

Requires the Secretary to develop valuation methods for local/regional food for purposes of lending to producers.

**Title VI: Rural Development**

The Rural Development title receives $228 million in mandatory funding including:

- $150 million for Water, Waste Disposal, and Waste Water Program
- $63 million for the Value-Added Producer Grant Program, with priority going to independent operators of small and medium-sized farms and ranches, beginning farmers and ranchers, socially disadvantaged farmers or ranchers and veteran farmers or ranchers.
- $15 million for the Rural Microenterprise Assistance Program (RMAP)
- $100 million for the Beginning Farmer and Rancher Development Program
**Rural Business Opportunity Grants.** Authorizes appropriations of $65 million and combines the Rural Business Opportunity Grants program and the Rural business Enterprise Grants program into a single program to be known as the Rural Business Development Grants program.

**Community Facilities.** The bill authorizes the Secretary to utilize loan guarantees for community facilities to the maximum extent possible. In addition, the bill authorizes technical assistance and training for essential community facilities with between 3-5 percent of funds appropriated.

**Tribal College and University Essential Community Facilities.** Authorizes appropriations of $10 million annually from 2014 to 2018. Limits the amount of non-Federal support to no more than 5 percent of the total cost of the project.

**Rural Water and Wastewater Circuit Rider Program.** Authorizes $20 million annually to continue a national rural water and wastewater circuit rider program.

**Emergency Imminent Community Water Assistance Grant Program.** Authorized at $35 million for fiscal years 2014 to 2018.

**Household Water Well Systems.** Authorizes appropriations for household water well systems in rural areas at $5 million from fiscal 2014 through 2018.

**Rural business and Industry Loan Program.** Modified to include working capital as a loan purpose and allows the Secretary to take accounts receivable as security for obligations when working with a cooperative organization. Encourages USDA to examine additional ways to guarantee lending to small brick-and-mortar, community-owned businesses, such as an increased loan guarantee percentage for smaller loans, a streamlined process for making B & I loans of less than $250,000 and making operating lines of credit eligible as a program use. Also encourages USDA to better coordinate with the Small Business Administration.

**Rural Cooperative Development Grants.** Authorizes appropriations of $40 million for fiscal years 2014 through 2018. Adds an interagency working group to improve coordination between federal agencies and cooperative organizations.

**Locally or Regionally Produced Agricultural Food Products.** Authorizes a carve out of not less than 5 percent of the Business and Industry direct and guaranteed loans for this purpose through 2018.

**Rural College Coordinated Strategy.** Authorizes the Secretary to develop a rural community college coordinated strategy across the Rural Development mission area.

**Rural Water and Waste Disposal Infrastructure.** With over $3 billion in pending applications for water and wastewater projects, the bill authorizes the Secretary, to the extent possible, to encourage private or cooperative lenders to finance rural water and waste disposal facilities by maximizing the use of loan guarantees in communities where the population exceeds 5,500; by maximizing the use of direct loans – where the impact on rate payers will be material when
compared to a loan guarantee – in the case of projects that require interim financing above $500,000 requiring those projects to initially seek financing from a private or cooperative lender.

**NOAA weather transmitters.** Authorizes appropriations of $1 million for fiscal years 2014-2018.

**Rural Micro entrepreneur Assistance Program.** Authorizes $20 million for fiscal 2014-2018 and allots Commodity Credit Corporation for $3 million for each fiscal year.

**Delta Regional Authority.** Authorizes appropriations of $30 million for fiscal years 2014-2018.

**Northern Great Plains Regional Authority.** Authorizes appropriations of $30 million for fiscal years 2014-18 and requires an annual audit.


**Water and Waste Facility Loans and Grants for Alaska.** Authorizes appropriations for grants at $60 million for each fiscal year and loans of $60 million for each fiscal year, matched by funds from the State of Alaska.

**Solid Waste Management Grants.** Authorizes $10 million for each fiscal year 2014-2018.

**Delta Health.** Authorizes appropriations of $3 million for fiscal years 2014-18.

**Technology Transfer for Rural Areas.** Authorizes appropriations of $5 million for each fiscal year 2014-2018.

**Regional Authority.** Authorizes a regional priority, including a carve out of funds available for functional categories for projects that are part of a multijurisdictional development plan. Encourages USDA to focus on projects with long-term implications and to leverage federal, state, local or private funding.

**Energy Efficiency Relending.** Authorizes a Rural Energy Savings Program providing zero percent interest rate loans to eligible Rural Utilities Service borrowers to fund loans to qualified consumers to implement energy efficiency measures with an authorization of $75 million for each fiscal year 2014-2018.

**Access to Broadband Telecommunications.** Provides highest priority to applicants that offer to provide broadband service to the greatest proportion of households that would not otherwise not have broadband service that meets a minimum acceptable level. And assigns priority to rural communities with a population of less than 20,000, experiencing outmigration and with high percentage of low-income residents which are isolate. Adds several other requirements.
**Definition of Rural Area.** Makes no changes from prior year, except for purposes of the Housing Act of 1949, which keeps the definition the same until at least 2020 Census data is available.

**Distance Learning and Telemedicine.** Authorize appropriations of $75 million annually from 2014-2018. Place priorities on areas where there is a designated health professional shortage.

**Agriculture Innovation Center Demonstration Program.** Authorizes appropriations of $1 million for fiscal years 2014-2018.

**Metrics.** Requires the Secretary to collect data regarding economic activities created through grants and loans and submit a periodic review to Congress.

**Study of Rural Transportation.** Authorizes an updates study to look at infrastructure along waterways of the U.S., the impact on movement of agricultural goods and benefits derived through an upgrade to locks and dams.

**Agricultural Transportation Policy.** Directs the Secretary to participate in all proceedings of the Surface Transportation Board in regards to freight rail policy affecting agriculture and rural America.

**Title VII- Research**

**Specialty Crop research.** Requires the Specialty Crop Committee membership reflect diversity in the specialty crops represented and that the annual report include recommendations on the improvement of quality and taste of processed specialty crops and programs that would improve remote sensing.

**Citrus greening.** A subcommittee of the National Agricultural Research, Extension, Education and Economics Advisory Board to focus on Citrus Greening is established. The citrus disease subcommittee will include nine members—three from Arizona or California, five from Florida and one from Texas.

**Veterinary services.** The Secretary of Agriculture is required to carry out a program to make competitive grants to qualified entities that carry out programs for veterinary services with authorization for $10 million for fiscal year 2014 and each fiscal year thereafter.

$40 million is authorized for each of fiscal years 2014 through 2018 for grants and fellowships for food and agriculture sciences education.

$10 million is authorized for each of fiscal years 2014 through 2018 for Ag and Food Policy research centers.

**Animal health research.** In each State with one or more accredited colleges of veterinary medicine, the deans and the director of the State agricultural experiment station is required to develop a comprehensive animal health and disease research program for the State based on the
animal health research capacity of each eligible institution in the State. It authorizes $25 million for each of fiscal years 2014 through 2018 for this program.

Authorizes competitive grants for training in the food and ag sciences of Hispanic agricultural workers and Hispanic youth.

Biosecurity planning and response receives $20 million for each of fiscal years 2014 through 2018.

The Bioenergy Feedstock and Energy Efficiency Research and Extension Initiative is repealed.

The bill also repeals the following programs: Research Equipment Grants; Rural Electronic Commerce Extension Program; Nutrient Management Research and Extension Initiative; and Red Meat Safety Research Center.

**The Organic Agriculture Research and Extension Initiative** is authorized at $20 million for each of fiscal years 2014 through 2018. Authorizes the Secretary to prioritize centers of excellence established for the purposes of carrying out research, extension and education.

The bill authorizes $10 million for each of fiscal years 2014-2018 to support research on diseases of wheat, triticale and barley.

Reauthorizes appropriations for pollinator protection, a coffee plant health initiative, a corn and soy meal high-priority research and extension area, a pulse crop health initiative, and training coordination for food and agriculture protection.

For each of fiscal years 2014 through 2018, the Secretary reserves at least $25 million for the Specialty Crop Research Initiative.

**The Beginning Farmer and Rancher Development Program** is authorizes at $20,000,000 for each of fiscal year 2014 through 2018. Authorizes farm safety for grant purposes and gives priority for school-based organizations and opens eligibility for community-based or nongovernmental organizations.

Designates Central State University, a historically black university (HBCU) located in Wilberforce, Ohio, as a land grant institution, but prohibits formula funds for two years.

A nonprofit corporation known as the “Foundation for Food and Agriculture Research” is established. $200 million of the funds of the Commodity Credit Corporation will transfer to the Foundation and to remain available until expended.

The bill includes a provision supporting industrial hemp research. An institution of higher education or a State department of agriculture may grow or cultivate industrial hemp if the industrial hemp is grown or cultivated for purposes of research conducted under an agricultural pilot program or other agricultural or academic research.
Authorizes appropriations of $5 million for fiscal 2014-2018 for sustainable agriculture technology development and transfer.

Authorizes $1 million for fiscal years 2014-2018 for the National Agricultural Weather Information System.

Reauthorizes appropriations for the Competitive, Special and Facilities Research Grant Act through 2018 and adds priority areas. Directs the Secretary to establish procedures under which a commodity promotion board or a state commodity board may submit proposals addressing issues related to the priority areas of this grant program.

Authority for the Grazing lands Research Laboratory is extended for 10 years.

Sun Grants. Authorizes the Secretary to coordinate among federal agencies grants for multistate research, extension and education programs on technology development and implementation.

Requires the Secretary to submit to Congress a cotton disease research report.

Directs the Secretary, through the National Law Library, to support dissemination of agricultural and food law research and information by entering into cooperative agreements with institutions of higher education and authorizes $5 million in appropriations annually from 2014-2018.

Title VIII – Forestry

The bill repeals the following programs: The Forest Land Enhancement Program, the Watershed Forestry Assistance Program, the Expired Cooperative National Forest Products Marketing Program, the Hispanic-serving Institution Agricultural Land National Resources Leadership Program and the Tribal Watershed Forestry Assistance Program.

The Cooperative Forestry Assistance Act of 1978 programs are reauthorized.

The **Healthy Forests Reserve Program** is authorized at $12,000,000 for each of fiscal years 2014 through 2018.

The bill provides $200,000,000 for each of fiscal years 2014 through 2024 for the designation of treatment areas for declining forest health.

The Secretary may enter into a good neighbor agreement with a Governor of a state to carry out authorized restoration services.

Continues authority for the Forest Legacy and Community Forest programs.

Healthy Forests Reserve Program. Authorizes appropriations of $12 million for this program and allows funds to be used to carry out the Soil Conservation and Domestic Allotment program.
Insect and Disease Infestations. Authorizes the designation of treatment areas, as part of an insect and disease treatment program, in at least one National Forest in each state that is experiencing an insect or disease epidemic within 60 days after enactment. Authorizes appropriations of $200 million for fiscal years 2014-2018, but the program is authorized for 10 years through 2024.

Good neighbor authority. Allows the Secretary to enter into cooperative agreements with State Foresters to engage in management activity, known as Good Neighbor Authority, to allow for better coordination between federal and state officials.

Authorizes the Secretary to establish a large air tanker and aerial asset lease program.

If a State seeks reimbursement for amounts expended for resources and services provided to another State for the management and suppression of a wildfire, the Secretary may accept the reimbursement amounts from the other State; and shall pay those amounts to the State seeking reimbursement.

Title IX. Energy

Biobased. Modifies the definition of “biobased product” to include forestry materials and forest products that meet biobased content requirements and defines “renewable chemical” as a monomer, polymer, plastic, formulated product, or chemical substance produced from renewable biomass.

BioPreferred. Reauthorizes the BioPreferred Program and the Federal Government Procurement Preference Program with modifications to include reporting and auditing. Establishes a targeted biobased-only procurement requirement for federal agencies and adds reporting requirements. Within one-year of enactment, mandates designation of intermediate ingredients or feedstocks and assembled and finished biobased products according to certain guidelines. Mandates a study by USDA to access the economic impact of the biobased product industry, due one-year after enactment. Authorizes mandatory funding of $3 million annually for fiscal years 2014-2018 and authorizes appropriations of $2 million.

Repowering Assistance. Extends current law through fiscal 2018 and provides mandatory funding of $12 million in fiscal year 2014, available until expended.

Bioenergy for Advanced biofuels. Extends the program through fiscal 2018 and provides mandatory funding of $15 million annually from 2014-2018.

Biodiesel Fuel Education. Extend this program through fiscal 2018 and authorizes mandatory funding of $1 million annually for 2014-2018.

Rural Energy for America Program. REAP would receive annual mandatory funding of $50 million for fiscal year 2014 and beyond and creates a tiered application process for loan guarantees and grants. The report encourages USDA to fund a diverse range of renewable energy
and energy efficiency projects that would help farmers and small rural business to cut costs. But
the agreement also takes aim at a practice by Agriculture Secretary Tom Vilsack of using REAP
funding for the installation of blender pumps at gas stations, stating that “renewable fuel blender
pumps or other mechanisms to dispense fuel are not a use of the program consistent” with the
program cost-cutting purposes.

**Biomass Research and Development.** Extends BRDI through 2018 and authorizes mandatory
funding of $3 million for each fiscal years of 2014-2017 and discretionary funding of $20
million for each of fiscal years 2014-2018.

**Biomass Crop Assistance Program.** BCAP would be modified to reflect changes in enrolled
land eligibility and includes residue from crops receiving Title I payments as eligible material,
but extends the exclusion to any whole grain from a Title I crop, as well as bagasse and algae.
BCAP would receive mandatory funding of $25 million each year for fiscal 2014-18 under the
negotiated agreement.

**Biorefinery Assistance.** The conference report would expand the role of the biorefinery
program, as reflected in a name-change to the Biorefinery, Renewable Chemical, and Biobased
Product Manufacturing Assistance Program. Mandatory funding of $100 million is provided for
this fiscal year and $50 million for the following two fiscal years. Discretionary funding of $75
million is offered annually for fiscal 2014-18.

**Community Wood Energy Program.** Defines “Biomass Consumer Cooperative” and
authorizes grants up to $50,000 to establish or expand biomass consumer cooperatives that will
provide consumers with services or discounts relating to the purchase of biomass heating

**Title X - Horticulture**

**The Farmers Market Promotion Program** is renamed the Farmers Market and Local Food
Promotion. It is meant to increase domestic consumption of and access to locally- and
regionally-produced agricultural products and is authorized at $30 million mandatory funds
annually, more than double the current level, and $10 million in discretionary funding. Priority is
given to applications that benefit underserved communities.

$5 million in mandatory funding (and $5 million in appropriated funds) is provided for the
Organic Production and Market Data Initiatives (ODI), and includes a new reporting requirement
for USDA to detail how data collection agencies are coordinating with data user agencies.

The National Organic Program receives $15 million in appropriations for fiscal years 2014-18
and $5 million in mandatory funding for technology upgrades and improvements.

Requires certified organic producers to keep detailed production records for at least five years.

**Organic checkoff.** Gives the Secretary of Agriculture authority to issue an organic commodity
promotion order, potentially creating a checkoff based on a specific set of production and
processing practices. Should an organic checkoff be developed, the Managers strongly encourage USDA to ensure that the guidelines for checkoff programs address potential disparagement in both commodity and process based checkoff programs.

Authorization for Food safety education initiatives is extended.

The National Organic Certification Cost Share program, which helps producers and handlers of organic products obtain certification, gets $11.5 in mandatory funding for each fiscal year from 2014-2018. The House bill would have repealed the program.

**Block grants** to states are reauthorized to support projects in marketing, research, pest management and food safety, at $72.5 million for 2014-2017 and $85 million after 2018, based on value of production and acreage. That increases funding from the last bill, as per the House-passed version.

**Clean Plant Network.** For pest and disease control, the bill authorizes a consolidated plant pest and disease management and disaster prevention program called the “National Clean Plant Network.”

It provides mandatory funding of $5 million for 2013, $62.5 million between 2014 and 2017, and $75 million for 2018 and beyond. The bill requires $5 million annually to Clean Plant Network.

A study on local food production and program evaluation is created.

Specialty Crops Market News receives an allocation.

The bill repeals a grant program to improve movement of specialty crops.

Allows for the bulk export of apples to Canada.

Requires the Secretary to consult with honey industry stakeholders on a report describing the contents of a new federal standard of identity for honey and submit the report to the Food and Drug Administration within 180 days of enactment.

Requires the Secretaries of Agriculture and Labor to consult regarding the restraining of shipments or confiscation of commodities for labor law violations and produce a report to Congress.

Authorizes two reports to Congress describing actions taken by the EPA, US Fish and Wildlife Service and the National Marine Fisheries Service regarding risks to endangered and threatened species from pesticides.

Prohibits the requirement of notification to the Administrator of the EPA of the arrival of a plant-incorporated protectant contained in a seed.
Requires the Secretary, within 60 days of enactment, to lift the administrative stay imposed by the rule establishing an industry-funded promotion, research and information program for fresh cut Christmas trees.

Directs the Administrator of the EPA to exclude nonpesticidal sources of fluoride from aggregate exposure assessments required under section 408 of the FFDCA when assessing tolerances associated with residues from the pesticide.

Requires the Secretary to collect data on the production and marketing of locally or regionally produced agricultural food products.

**Title XI: Crop Insurance**

**Information sharing.** Requires FSA to share information and maps with crop insurance agents and AIPs.

**Publication of information on violation of prohibition on premium adjustments.** Requires RMA to make public any violations of the ban on premium adjustments so it can be used as guidance for other agents and AIPs. Privacy is to be protected when violations are disclosed.

**Supplemental coverage option.** Allows for the combination of individual coverage with area coverage. A 10% deductible is required. Producers who participate in ARC (the Title I revenue program) are not eligible, although those who participate in PLC (the Title I target price program) are eligible. A 65% subsidy is provided, and the maximum coverage level is 86%. The language dictates that USDA implement the program starting with the 2015 crop year.

**Crop margin coverage option.** Allows for margin insurance to be combined with individual crop insurance coverage and notes that the Corporation should approve margin coverage in time for the 2015 crop year because timely approval is important to wheat, rice and other producers.

**Premium amounts for catastrophic risk protection.** This is a re-rate of CAT coverage, which the Administration was going to do with or without action by Congress.

**Permanent enterprise unit subsidy.** Makes the authority to continue the additional premium subsidy for enterprise units permanent.

**Enterprise units for irrigated and non-irrigated crops.** Allows for separate enterprise units for irrigated and non-irrigated crops beginning in 2015.

**Data collection.** Provides RMA with flexibility in using different sources of data to develop area-wide policies.

**Adjustment in actual production history to determine insurable yields.** Both the House and Senate bills provided a straightforward bump in the yield plug to account for disaster years and declining yields. This bill takes a different approach. A producer may choose
to exclude any year from their APH if their yield in that year is less than 50% of the ten year county average. This also applies to contiguous counties and allows for the separation of irrigated and non-irrigated acres.

**Submission of policies and board review and approval.** Requires RMA to consider pilot programs under the 508(h) program in order to make them permanently available to producers. Provides a “marketability standard” for products in the 508(h) process to ensure that products that are approved actually have a market for them and will overall improve the program. This provision will also allow FCIC to prioritize products through the 508(h) process for unserved or underserved commodities. It specifically names the development of a peanut revenue insurance program, rice margin insurance and a product that separates enterprise units by risk rating as priorities. Finally, this provision allow RMA to provide up to 75% of development costs to be paid in advance.

**Consultation.** Requires the FCIC Board to consult with producer groups prior to approving any specialty crop product through the 508(h) process.

**Budget limitations on renegotiation of the Standard Reinsurance Agreement.** Requires 1) budget neutrality for underwriting gains, as compared to the previous SRA, 2) budget neutrality for A&O as compared to the previous year, and 3) overarching budget neutrality for the entire SRA. If any incidental savings occur, these savings must be put back into A&O or underwriting gains.

**Test weight for corn.** Require RMA to promulgate rules to settle claims on low test weight corn within 120 days. This provision sunsets after 5 years.

**Crop production on native sod.** Establishes that if producer breaks native sod and then purchases crop insurance on that land, the yield utilized to calculate the yield guarantee can only by 65% of the county average yield, and the premium subsidy will be reduced by 50 percentage points. If a producer purchases NAP coverage on broken native sod, then the fee is increased 200%. This provision only applies to the Prairie Pothole and Nebraska. It also requires an annual report to Congress on new cropland acreage.

**Coverage levels by practice.** Producers can separate individual crop insurance policies by irrigated and non-irrigated acres.

**Beginning farmer and rancher provisions.** Provides a definition of beginning farmer and rancher for crop insurance purposes. It allows for beginning farmers or ranchers to receive premium assistance 10 percentage points greater than premium assistance that would be otherwise is available; a beginning farmer previously involved in a farming operation to use the previous producer’s production history or assigned yield in determining yield coverage; and beginning farmers or ranchers to replace each excluded yield with a yield equal to 80 percent of the applicable transitional yield.

**Stacked income protection plan for producers of upland cotton.** Allows upland cotton producers to stack area insurance on top of individual insurance programs. The subsidy for this
coverage is 80%, and the deductible in 10%. Coverage is available up to 90% of area yield or revenue.

**Peanut revenue crop insurance.** Requires RMA and FCIC to provide for a peanut revenue crop insurance program (using the Rotterdam price) to be made available by the 2015 crop year.

**Authority to correct errors.** Allows agents and AIPs to correct unintentional errors on crop insurance applications and FSA reporting associated with crop insurance policies. Reporting dates shall not apply to these corrections.

**Implementation.** Provides implementation funding to RMA of $14 million in 2014 and between $9 and $14 million for years 2015 through 2018, dependent on RMA meeting certain technology deliverables. Requires that RMA hardware and software be compatible with other USDA agencies.

**Crop insurance fraud.** Provides up to $9 million annually to “reimburse expenses incurred for the operations and review of policies, plans of insurance, and related materials (including actuarial and related information); and to assist the Corporation in maintaining program actuarial soundness and financial integrity.”

**Research and development priorities.** Allows RMA to conduct research and development. Also prioritizes research into policies that will increase participation by underserved commodities, including sweet sorghum, biomass sorghum, rice, peanuts, sugarcane, alfalfa, pennycress and specialty crops. Authorizes research and development to be done on margin coverage for catfish, biomass and sweet sorghum energy crop insurance, swine catastrophic disease insurance, poultry catastrophic disease insurance, poultry business interruption coverage, alfalfa insurance and a whole farm diversified risk management insurance plan.

**Crop insurance for organic crops.** Requires RMA to offer, by the 2015 reinsurance year, organic price elections for crop insurance products.

**Program compliance partnerships.** Authorizes FCIC to enter into partnerships with public and private entities to increase the availability of risk management tools for producers and to improve the analysis and technologies available for program compliance.

**Pilot programs.** Provides necessary language for RMA to be able to submit pilot programs through the 508(h) process for permanent approval.

**Index-based weather insurance pilot program.** Allows RMA to conduct no more than two pilot programs based on weather indices. These pilots must be for specialty crops or livestock and only AIPs are eligible to submit proposals for the program. Submissions will be reviewed similarly to 508(h) submissions, but only the AIP that submits the policy proposal will be allowed to sell the product. The premium subsidy for the pilot can be no greater than 60% with a $12.5 million per year cap on funding for the pilot(s). Funding is only available for 2015 to 2018.
Enhancing producer self-help through farm financial benchmarking. Allows risk management education dollars to be used to educate producers on farm financial benchmarking.

Technical amendments. Eliminates the requirement for CRP acres to be covered by crop insurance or for the holders of CRP contracts to waive this requirement.

Title XII: Miscellaneous:

National Sheep Improvement Center. The bill moves the National Sheep Industry Improvement Center from the Consolidated Farm and Rural Development Act and establishes a competitive grant program in the Agricultural Marketing Service to improve the sheep industry. It also provides $1.5 million in Commodity Credit Corporation funds for fiscal year 2014. Additionally, the amendment increases the amount of funds that can be used for administration from 3 percent to 10 percent, and it eliminates the authorization of appropriations.

GIPSA. The bill does not repeal regulations under the Packers and Stockyards Act.

COOL. It requires the Secretary to conduct an economic analysis of USDA’s final version of the rule on country of origin labeling (COOL) for beef, pork, and chicken.

Catfish. The bill clarifies the definition of catfish and continues to require that catfish is inspected at both USDA’s Food Safety Inspection Service and the Food and Drug Administration, despite attempts to limit the duplication and place all inspection at the FDA. It directs FDA and FSIS to enter into a memorandum of understanding to improve cooperation and reduce duplication.

National Poultry Improvement Plan. USDA is required to administer the surveillance program for low pathogenic avian influenza for commercial poultry at FY 2013 funding levels.

Feral Swine Eradication Pilot Program. Establishes a pilot program to study the extent of damage caused by feral swine and to develop methods to eradicate or control and to restore damage caused by feral swine. Includes a 75 percent federal cost-share and authorizes $2 million in appropriated funds for each fiscal year from 2014 to 2018. Urges the Secretary of Agriculture to prioritize the eradication of feral swine.

Socially Disadvantaged and Limited Resource Producers. The bill establishes a center for developing policy recommendations for the protection and promotion of the interests of socially disadvantaged farmers and ranchers. Requires USDA to provide a receipt for service to all persons requesting a benefit offered by the Department.

High Plains Water study. Includes a provision to allow producers to participate in a one-time study of aquifer recharge potential that will help inform State and local water conservation investment and policy to aid in managing the Ogallala Aquifer.
**Noninsured Crop Assistance Program.** The bill provides additional availability of Noninsured Crop Assistance Program (NAP) for producers suffering losses to their 2012 annual fruit crop and producers suffering losses in a county covered by a Secretarial disaster declaration due to freeze and frost. Coverage levels may not exceed 65 percent.

Crops and grasses for grazing may receive NAP coverage equivalent to CAT coverage under the Federal Crop Insurance Act but not additional coverage. The Secretary may waive fees for beginning, limited resource and socially disadvantaged farmers and allow these individuals to pay 50 percent less than otherwise required. The effective period for the provision is for the 2014 through 2018 crop years.

The bill adds industrial crops grown expressly for the purpose of producing a feedstock for renewable biofuel, renewable electricity, or biobased products to the list of included crops under the Noninsured Crop Assistance Program.

**Maple Syrup.** The bill authorizes grants to state and tribal governments and research institutions for the purpose of promoting the domestic maple syrup industry. It authorizes $20 million in appropriated funds for each of fiscal years 2014 through 2018.

**Regulatory Review for the Secretary.** It requires the Secretary of Agriculture to review publications of Environmental Protection Agency guidances for significant impacts on agriculture. It also authorizes a standing agriculture-related committee to provide scientific and technical advice to the science advisory committee and a report to Congress regarding the activities of the committee.

**Animal Fighting.** Knowingly attending an animal fighting venture or causing a minor to attend an animal fighting venture is prohibited under the bill. The age of a minor is changed from a person under the age of 18 years old to a person under the age of 16 years old. The bill also amends the Animal Welfare Act by providing that a dealer or exhibitor shall not be required to obtain a license if they meet certain “de minimus” standards – allowing USDA to focus on entities that pose the greatest risk.

**Produce identification.** It requires the Secretary to provide technical assistance to U.S. Customs and Border Protection for identifying produce that is falsely represented as grown in the United States.

**Rio Grande.** The bill requires the Secretary of State to submit a report to Congress on Mexico’s Rio Grande water deliveries to the U.S., due 120 days from the date of enactment.

**FDA’s FSMA.** Two reports on the FDA Food Safety Modernization Act are required in order to evaluate the impact of the produce provisions.

**Silviculture.** The bill restores specified silvicultural activities to nonpoint source status by exempting the listed activities from permits under the Clean Water Act.
**Cotton promotion.** Funds from the Commodity Credit Corporation may be used to make payments to nationally recognized associations that promote pima cotton use.

**Wool Manufacturers.** Funds from the Commodity Credit Corporation may be used to for a Trust Fund to fund eligible wool manufacturers.

**Citrus Disease Research.** The Citrus Disease Research and Development Trust Fund is established in the Treasury, funded through appropriations, for the Secretary of Agriculture to make payments to entities involved with solving citrus disease and pest problems and to the Citrus Disease Research and Development Trust Fund Advisory Board, it established. The provision is moved to Title VII.

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