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To continue and expand upon previous congressional efforts to ensure an abundant and affordable supply of fruits, vegetables, tree nuts, and other specialty crops for American consumers and international markets, to enhance the competitiveness of United States-grown specialty crops, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 20, 2007

Mr. CARDOZA (for himself, Mr. PUTNAM, Mr. SALAZAR, Mr. LARSEN of Washington, Mr. MCCARTHY of California, Mr. KUHL of New York, Mr. HALL of New York, Mr. WALSH of New York, Mr. HIGGINS, Mr. FARR, Mr. MAHONEY of Florida, Mr. HOEKSTRA, Mr. ALLEN, Ms. KILPATRICK, Ms. SLAUGHTER, Mr. FILNER, Mr. CUMMINGS, Mr. WELCH of Vermont, Mr. CARNAHAN, Mr. BLUMENAUER, Mr. MCDERMOTT, Mr. HASTINGS of Washington, Mr. MCNERNEY, Mr. NUNES, Mr. RUSH, Mrs. TAUSCHER, Mr. RADANOVICH, Mrs. MCMORRIS RODGERS, Ms. WOOLSEY, Ms. HOOLEY, Mr. MCHUGH, Mr. COSTA, Mr. BROWN of South Carolina, Mr. DANIEL E. LUNGREN of California, Mr. PERLMUTTER, Mr. SHULER, Ms. LORETTA SANCHEZ of California, Ms. MATSUI, Mr. CUELLAR, Mrs. CAPPS, Ms. KAPTUR, Mr. WU, Mrs. BONO, Mr. MCINTYRE, Mr. BARTLETT of Maryland, Mr. BOYD of Florida, Mrs. DRAKE, Ms. ZOE LOFGREN of California, Mr. ISSA, Mr. MARIO DIAZ-BALART of Florida, Mr. WALDEN of Oregon, Mr. GILCHREST, Mr. DELAHUNT, Mr. ARCURI, Mr. REYNOLDS, Mr. THOMPSON of California, Mr. HINCHEY, Mr. COURTNEY, Mr. SIMPSON, Mr. PLATTS, Ms. ROS-LEHTINEN, Mr. SHAYS, Ms. HIRONO, Mr. BARROW, and Mr. CALVERT) introduced the following bill; which was referred to the Committee on Agriculture, and in addition to the Committees on Ways and Means, Education and Labor, Energy and Commerce, and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To continue and expand upon previous congressional efforts to ensure an abundant and affordable supply of fruits, vegetables, tree nuts, and other specialty crops for American consumers and international markets, to enhance the competitiveness of United States-grown specialty crops, and for other purposes.

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

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Equitable Agriculture Today for a Healthy America Act'' or the ''EAT Healthy America Act''.

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

Sec. 1. Short title and table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Definitions.

TITLE I—COMMODITY-RELATED PROVISIONS

Sec. 101. Flexible payment limitations for disaster payments to reflect variations in cost of production and crop value.
Sec. 102. Adjusted gross income limitations on receipt of disaster assistance by first handlers of specialty crops.
Sec. 103. Equitable treatment of specialty crop producers in distribution of disaster assistance.
Sec. 104. Tree assistance program.

TITLE II—CONSERVATION

Sec. 201. Findings regarding Conservation Security Program.
Sec. 202. Conservation reserve program.
Sec. 203. Wetlands reserve program.
Sec. 204. Funding for Farmland Protection Program.
Sec. 205. Grassland reserve program.
Sec. 206. Wildlife habitat incentive program.
Sec. 207. Environmental quality incentives program.
Sec. 208. Cooperative conservation partnership initiative.

Sec. 209. Regional equity in funding of certain Department of Agriculture conservation programs.
Sec. 210. Integrated pest management initiative.
Sec. 211. Technical assistance under Department of Agriculture conservation programs.
Sec. 212. Conservation loan guarantee program.
Sec. 213. Emergency Conservation Program.
Sec. 214. Exclusion of payments under Department of Agriculture conservation programs from adjusted gross income limitation.
Sec. 215. Encouragement of voluntary sustainability practices guidelines.
Sec. 216. Assistance to address long-term climate change.

TITLE III—TRADE

Sec. 301. Technical assistance for specialty crops.
Sec. 302. Coordination of trade objectives between key agencies.
Sec. 303. Market access program.
Sec. 304. Grant program for market analysis related to anti-dumping and countervailing duty cases involving specialty crops.
Sec. 305. Sense of Congress regarding certain antitrust laws applicable to agriculture.

TITLE IV—INVASIVE PESTS AND DISEASES

Sec. 401. Threat identification and mitigation program.
Sec. 402. Emergency control, prevention, and eradication programs.
Sec. 403. Agricultural quarantine inspection activities at ports of entry.
Sec. 404. Animal and Plant Health Inspection Service Export Division.
Sec. 405. Consultations on sanitary and phytosanitary restrictions for fruits and vegetables.
Sec. 406. Multi-species fruit fly research and sterile fly production.
Sec. 407. Audit-based approach to specialty crop phytosanitary regulation.
Sec. 408. Early pest detection and surveillance improvement program.

TITLE V—NUTRITION

Sec. 501. Findings.
Sec. 502. Expansion of Fresh Fruit and Vegetable Program.
Sec. 503. Fruit and vegetable nutrition promotion program.
Sec. 504. Use of ''Dietary Guidelines for Americans'' in special nutrition programs and school lunch programs.
Sec. 505. Section 32 specialty crop purchases.
Sec. 506. School preference study.
Sec. 507. Independent evaluation of Department of Agriculture commodity purchase process.
Sec. 508. Amendments to the Food Stamp Program.
Sec. 509. Sense of the Congress regarding nutritional supplements.
Sec. 510. Food stamp fruit and vegetable EBT pilot project.
Sec. 511. Decennial evaluations of WIC food packages.
Sec. 512. Extension of WIC farmers' market nutrition program.
Sec. 513. Senior farmers' market nutrition program.

TITLE VI—AGRICULTURAL RESEARCH

Sec. 601. Specialty Crops Economic and Policy Research Institute.
Sec. 602. Development of specialty crop priority for the National Research Initiative.

Sec. 603. Establishment of specialty crop research grants program for producers to improve efficiency and competitiveness.
Sec. 604. National Clean Plant Network.
Sec. 605. Prioritizing current Federal research activities for specialty crops.

TITLE VII—RENEWABLE ENERGY

Sec. 701. Inventory of specialty crop biomass waste as part of annual assessment of renewable energy resources.
Sec. 702. Department of Agriculture bioenergy program.
Sec. 703. Grants for development of specialty crop bioenergy projects.

TITLE VIII—MISCELLANEOUS PROVISIONS

Sec. 801. Specialty crop block grants.
Sec. 802. Federal Insecticide, Fungicide, and Rodenticide Act; requests by State agencies for exemptions.
Sec. 803. Protection of intellectual property rights in plants and plant-derived material.
Sec. 804. Grant program to improve transportation infrastructure to reduce cost of transportation of specialty crops.
Sec. 805. Additional funds for Agricultural Marketing Service specialty crop market news activities.
Sec. 806. Value-added grants to promote creation, expansion, or operation of value-added processing of specialty crops.
Sec. 807. Eligibility of laborers admitted for temporary residence for Rural Housing Service farm labor housing.
Sec. 808. Food safety initiatives.
Sec. 809. Implementation of food safety programs under marketing orders.
Sec. 810. Census of specialty crops; dissemination of information.
Sec. 811. Office of pesticide programs.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds the following:

(1) Specialty crop production in the United States accounts for $50.8 billion in farmgate value, and, according to the Economic Research Service of the Department of Agriculture, specialty crops account for more than 45 percent of the farmgate value of all crops produced in the United States.

(2) Specialty crop producers deserve a competitive and sustainable environment for specialty crop production, and the Specialty Crops Competitiveness

Act of 2004 (Public Law 108–465; 7 U.S.C. 1621 note) represented an initial attempt to ensure the long-term competitiveness and sustainability of United States specialty crop production.

(3) Additional Federal investment in the competitiveness and sustainability of the United States specialty crop industry will produce a strong return on investment for all of America, not just producers.

(4) By expanding the market for and availability of safe, wholesome, healthy, and affordable fruits, vegetables, tree nuts, and other specialty crops, Congress can assist Americans in achieving the goal of doubling their fruit and vegetable consumption, as called for in the Department of Agriculture and Department of Health and Human Services 2005 Dietary Guidelines.

(5) Federal investment in the United States specialty crop industry is required to create a fair and level playing field with international competitors that do not have to comply with the regulatory requirements imposed on United States producers in the areas of environmental regulation, labor, food safety, and other area.

(6) Without appropriate and adequate assistance United States specialty crop production may relocate to less restrictive foreign growing areas.

(7) Consumers in United States export markets are increasingly demanding high-value specialty food products as their disposable income rises, and a thriving and competitive United States specialty crop industry will support strong growth in export markets and improve the United States balance of trade.

(8) In order to realize the goal of increasing agricultural exports, it is critical that Federal policy and resources support efforts to remove the many existing international trade barriers that continue to hamper United States specialty crop exports.

(9) The competitiveness of United States specialty crop producers also depends on maintaining the current restrictions in section 1106 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7916) that prohibits the planting of fruits and vegetables and other specialty crops on acres for which a producer receives direct payments or counter-cyclical payments, including not allowing any temporary loss in program benefits as a remedy

for one year or other short-term shifts to specialty crops.

(b) PURPOSES.—It is the purpose of this Act to build upon the success of the Specialty Crops Competitiveness Act of 2004 (Public Law 108–465; 7 U.S.C. 1621 note) by making additional changes in Federal agriculture policy to accomplish the goals of increasing fruit, vegetable, and tree nut consumption and improving the competitiveness of United States specialty crop producers.

SEC. 3. DEFINITIONS.

In this Act:

(1) The term ''Secretary'' means the Secretary of Agriculture.

(2) The term ''specialty crop'' means fruits and vegetables, tree nuts, dried fruits, nursery crops, floriculture, and horticulture.

(3) The term ''State'' means the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

TITLE I—COMMODITY-RELATED PROVISIONS

SEC. 101. FLEXIBLE PAYMENT LIMITATIONS FOR DISASTER PAYMENTS TO REFLECT VARIATIONS IN COST OF PRODUCTION AND CROP VALUE.

(a) FLEXIBLE PAYMENT LIMITATIONS.—In lieu of using a single, specific dollar amount limitation on the total amount of disaster assistance that a producer of specialty crops may receive under any provision of law, the Secretary of Agriculture shall develop and use a series of payment limitations that reflect cost-of-production and crop value variations.

(b) USE OF FARM SERVICE AGENCY DATA.—To develop the payment variations range required by subsection (a), the Secretary of Agriculture may use the most relevant data maintained by the Department of Agriculture and federally funded institutions, such as land grant colleges and universities, in the State or region where the disaster occurred regarding cost of production and crop value for various agricultural enterprises.

(c) APPLICABILITY.—The flexible payment limitations required by subsection (a) shall apply on a permanent basis with respect to any natural disaster occurring after the date of the enactment of this Act for which disaster assistance is provided by the Secretary of Agri-

culture under any provision of law to producers of specialty crops.

SEC. 102. ADJUSTED GROSS INCOME LIMITATIONS ON RECEIPT OF DISASTER ASSISTANCE BY FIRST HANDLERS OF SPECIALTY CROPS.

(a) CHANGE TO APPLICATION OF LIMITATIONS.—For purposes of applying the adjusted gross income limitations on the receipt of disaster assistance to a first handler of specialty crops, the Secretary of Agriculture shall treat income derived by the first handler from the initial preparation of the specialty crops for marketing and the marketing of the specialty crops as income derived from a farming operation.

(b) FIRST HANDLER DEFINED.—In this section, the term ''first handler'' means a person who—

(1) receives or otherwise acquires specialty crops from a producer and prepares for marketing or markets the specialty crops; or

(2) prepares for marketing and markets specialty crops produced by the person.

SEC. 103. EQUITABLE TREATMENT OF SPECIALTY CROP PRODUCERS IN DISTRIBUTION OF DISASTER ASSISTANCE.

In providing disaster assistance to producers suffering losses due to natural disasters, the Secretary of Agriculture shall seek to ensure that—

(1) producers of specialty crops receive assistance through programs that are designed to meet the specific needs of such producers and reflect the production practices of such producers; and

(2) eligibility for assistance and the provision of assistance is not be tied to traditional programs of the Department of Agriculture, such as direct payments under section 1103 or 1303 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7913, 7953) or crop insurance.

SEC. 104. TREE ASSISTANCE PROGRAM.

(a) INCLUSION OF NURSERY TREE GROWERS.—

(1) ELIGIBILITY.—Section 10201 of the Farm Security and Rural Investment Act of 2003 (7 U.S.C. 8201) is amended—

(A) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(B) by inserting after paragraph (2) the following new paragraph:

"(3) NURSERY TREE GROWER.—The term 'nursery tree grower' means a person who produces nursery, ornamental, fruit, nut, or Christmas trees for commercial sale.".

(2) CONFORMING AMENDMENTS.—Subtitle C of title X of such Act is amended—

(A) in section 10202 (7 U.S.C. 8202)—

(i) in subsection (a), by inserting "and nursery tree growers" after "eligible orchardists"; and

(ii) in subsection (b), by inserting "or nursery tree grower" after "eligible orchardist"; and

(B) in section 10203 (7 U.S.C. 8203), by inserting "and nursery tree growers" after "eligible orchardists".

(b) INCREASE IN AUTHORIZED AMOUNT OF ASSISTANCE.—Section 10204(a) of such Act is amended by striking "$75,000" and inserting "$150,000 per year".

(c) FUNDING.—Section 10205 of such Act is amended by adding at the end the following new sentence: "In addition to amounts appropriated to carry out this section, the Secretary shall use $75,000,000 of funds of the Commodity Credit Corporation to carry out this subtitle during fiscal years 2008 through 2012.".

(d) APPLICABILITY.—The amendments made by this section shall apply with respect to any natural disaster occurring after the date of the enactment of this Act for which assistance is provided by the Secretary of Agriculture under the tree assistance program.

TITLE II—CONSERVATION

SEC. 201. FINDINGS REGARDING CONSERVATION SECURITY PROGRAM.

Congress makes the following findings:

(1) Specialty crop producers and other agricultural producers in the United States require a significant new investment in voluntary conservation incentives programs in order to ensure that producers are rewarded when they take steps to produce cleaner air, cleaner water, important wildlife habitat, and other environmental benefits for the public.

(2) The expansion and improvement of the conservation programs authorized and amended by title II of the Farm Security and Rural Investment Act of 2002 (Public Law 107–171) should include the expansion of the Conservation Security Program under subchapter A of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838 et seq.) so that producers have an opportunity to enroll in a program that is more equi-

table and predictable than the current system, under which only a few watersheds are eligible each fiscal year.

(3) The Conservation Security Program holds tremendous promise as a program that can help producers effectively address priority resources of concern, but the program must be improved and better implemented in order to fulfill that promise.

(4) States must have the authority, with appropriate national guidance, to select priority ''resources of concern,'' as currently defined by the Natural Resources Conservation Service, for specific areas within the State, and program payments should focus more on rewarding management intensity and the degree to which a producer addresses resources of concern.

(5) In order to ensure that the Conservation Security Program is an effective tool in helping producers improve environmental quality, there must be a better balance between rewarding a producer's existing level of resource stewardship and creating strong incentives for producers to implement additional practices and measures to improve environmental performance.

(6) In general, the Conservation Security Program should do a better job of helping producers enhance habitat for wildlife, particularly rare, threatened, endangered and candidate species.

(7) When the Conservation Security Program is used to address wildlife, it should be implemented to further the goals and objectives of the State comprehensive wildlife strategy.

(8) It is critical that the Conservation Security Program provide adequate technical assistance to producers who need help applying to the program and implementing their contracts.

SEC. 202. CONSERVATION RESERVE PROGRAM.

(a) EXTENSION OF PROGRAM.—Section 1231 of the Food Security Act of 1985 (16 U.S.C. 3831) is amended—

(1) in subsection (a), by striking ''2007'' and inserting ''2012'';

(2) in subsection (d)(1), by striking ''2007'' and inserting ''2012'';

(3) in subsection (e)(3), by striking ''2002'' and inserting ''2008''; and

(4) in subsection (h)(1), by striking ''2007'' and inserting ''2012''.

(b) ELIGIBLE LAND.—Section 1231(b) of such Act (16 U.S.C. 3831(b)) is amended—

(1) by striking the period at the end of paragraph (1) and inserting a semicolon;

(2) in paragraph (4), by striking ''or'' at the end of subparagraph (C);

(3) by striking the period at the end of paragraph (5) and inserting ''; or''; and

(4) by adding at the end the following new paragraph:

''(6) marginal pasture land or hay land that is otherwise ineligible, if the land is to be devoted to native vegetation appropriate to the locale and—

''(A) will provide suitable habitat for State or federally listed threatened or endangered species or species determined by the Secretary of the Interior to be species of concern; or

''(B) will contribute to the restoration of a critically endangered ecosystem or endangered ecosystem, as defined by the Secretary.''.

(c) USE OF GENERAL SIGNUP PROCESS.—Section 1231(d) of such Act (16 U.S.C. 3831(d)) is amended by adding at the end the following new sentence: ''To the maximum extent practicable, the Secretary shall ensure that not more than 85 percent of the acres maintained

in the conservation reserve at any 1 time during the 2008 through 2012 calendar years are acres that were enrolled through general signup under section 1234(c)(2)(A).''.

(d) DUTIES OF PARTICIPANTS.—Section 1232(a) of such Act (16 U.S.C. 3832(a)) is amended—

(1) in paragraph (4)—

(A) by redesignating subparagraphs (A) and (B) as subparagraphs (B) and (C), respectively; and

(B) by inserting before subparagraph (B), as so redesignated, the following new subparagraph:

''(A) approved vegetative cover shall not include vegetative cover inappropriate to the locale;'';

(2) by redesignating paragraphs (5) through (10) as paragraphs (6) through (11); respectively;

(3) by inserting after paragraph (4) the following new paragraph:

''(5) to undertake appropriate management activities on the land, including any necessary haying and grazing activities, as needed throughout the term of the contract to achieve the purposes of the conservation reserve program;''; and

(4) in subparagraph (A)(i)(II) of paragraph (8), as redesignated by paragraph (2), by inserting after ''may be conducted'' the following: '', taking into account grassland types and species, location, weather conditions, threats posed by invasive species in the locale, and other factors that determine to what extent harvesting and grazing activities will advance the conservation purposes of the program''.

(e) CONSERVATION PLAN.—Section 1232(b)(1)(A) of such Act (16 U.S.C. 3832(b)(1)(A)) is amended by inserting before the semicolon at the end the following: '', including appropriate management activities required by subsection (a)(5)''.

(f) COST-SHARE AND MANAGEMENT ASSISTANCE.—Section 1234(b) of such Act (16 U.S.C. 3834(b)) is amended—

(1) in paragraph (1), by inserting before the period at the end the following: '', except that the Secretary shall pay 75 percent of the cost of establishing measures and practices that will benefit a federally or State listed threatened or endangered species required under a contract entered into under this subchapter''; and

(2) by adding at the end the following new paragraph:

"(6) MANAGEMENT COSTS.—The Secretary shall pay 75 percent of the cost of management activities, including control of invasive species, required under a contract entered into under this subchapter.".

(g) WILDLIFE CRITERIA.—Section 1234(c)(3)(B) of such Act (16 U.S.C. 3834(c)(3)(B)) is amended by inserting before the period the following: ", taking into consideration the recommendations of States concerning species or ecosystems that are State priorities for recovery or restoration".

(h) RARE AND DECLINING HABITAT.—Section 1234(c) of such Act (16 U.S.C. 3834(c)) is amended by adding at the end the following new paragraph:

"(5) RARE AND DECLINING HABITAT.—The Secretary may approve a request by a State to establish continuous enrollment categories for rare and declining habitat in specific areas of the State to benefit specific State or federally listed threatened or endangered species.".

(i) RENTAL PAYMENT LIMITATIONS.—Section 1234(f) of such Act (16 U.S.C. 3834(f)) is amended—

(1) in paragraph (1), by inserting before the period at the end the following: ", except that the Secretary may waive this payment limitation for persons

participating in a conservation reserve enhancement program or cooperative conservation project if the Secretary determines such a waiver is necessary to achieve the objectives of the conservation reserve enhancement program or project''; and

(2) in paragraph (4), by adding at the end the following new subparagraph:

''(C) IRRIGATED LAND.—In determining the amount of annual rental payments for owners and operators seeking to enroll irrigated land in a conservation reserve enhancement program, the Secretary shall consider the average rental rate for irrigated land in the area.''.

SEC. 203. WETLANDS RESERVE PROGRAM.

(a) MAXIMUM ENROLLMENT.—Section 1237(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3837(b)(1)) is amended—

(1) by striking ''2,275,000 acres'' and inserting ''5,000,000 acres''; and

(2) by striking ''250,000 acres'' and inserting ''320,000 acres''.

(b) RIPARIAN AREAS.—Section 1237(d) of such Act (16 U.S.C. 3837(d)) is amended by striking paragraph (3) and inserting the following new paragraph:

''(3) riparian areas.''.

(c) WETLAND EASEMENT CONSERVATION PLAN.—Section 1237A(b)(3) of such Act (16 U.S.C. 3837a(b)(3)) is amended by inserting before the semicolon at the end the following: ", including activities necessary to maintain hydrologic, habitat, and other functional values".

(d) COST-SHARE AND MANAGEMENT ASSISTANCE.—Section 1237C of such Act (16 U.S.C. 3837c) is amended—

(1) in subsection (a)(1), by inserting "including necessary hydrologic and habitat maintenance activities," after "values,"; and

(2) in subsection (b), by adding at the end the following new paragraph:

"(4) MANAGEMENT COSTS.—The Secretary may make payments to owners to cover up to the full actual cost of undertaking any ongoing or periodic management activities necessary to maintain the hydrologic, habitat, and other functional values of wetland enrolled in the wetlands reserve program.".

(e) EASEMENT PRIORITY AND STATE ALLOCATION.—Section 1237C of such Act (16 U.S.C. 3837c) is amended—

(1) in subsection (d), by striking "wildlife." and inserting "wildlife, particularly rare, threatened, en-

dangered, or candidate species for furthering the goals and objectives of the State comprehensive wildlife conservation strategy, or improving water quality.''; and

(2) by adding at the end the following new subsection:

''(e) ALLOCATION TO STATES.—In making allocations to States to carry out this subchapter, the Secretary shall consider to what degree each State gives priority—

''(1) to protecting and restoring habitat for migratory birds and other wildlife, particularly rare species, including threatened, endangered, and candidate species;

''(2) to furthering the goals and objectives of the State comprehensive wildlife conservation strategy; and

''(3) to improving water quality.''.

(f) CONFORMING AMENDMENT.—Section 1237(c) of such Act (16 U.S.C. 3837(c)) is amended by striking ''2007'' and inserting ''2012''.

SEC. 204. FUNDING FOR FARMLAND PROTECTION PROGRAM.

Paragraph (4) of subsection (a) of section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841) is amended to read as follows:

"(4) The farmland protection program under subchapter B of chapter 2, using $300,000,000 in each of fiscal years 2008 through 2012.".

SEC. 205. GRASSLAND RESERVE PROGRAM.

(a) EXTENSION AND FUNDING.—Paragraph (5) of section 1241(a) of the Food Security Act of 1985 (16 U.S.C. 3841(a)) is amended to read as follows:

"(5) The grassland reserve program under subchapter C of chapter 2.".

(b) ANNUAL ENROLLMENT LEVELS AND PRIORITY FOR LONG-TERM CONTRACTS.—Subsection (b) of section 1238N of such Act (16 U.S.C. 3838n) is amended—

(1) by striking paragraph (1) and inserting the following new paragraph:

"(1) ANNUAL ENROLLMENT LEVELS.—To the maximum extent practicable, the Secretary shall enroll in the grassland reserve program—

"(A) 1,000,000 acres in calendar year 2008;

"(B) 1,500,000 acres in calendar year 2009;

"(C) 2,000,000 acres in calendar year 2010;

"(D) 2,500,000 acres in calendar year 2011; and

"(E) 3,000,000 acres in calendar year 2012 and each calendar year thereafter."; and

(2) by striking paragraph (3) and inserting the following new paragraph:

"(3) PRIORITY FOR LONG-TERM AGREEMENTS AND EASEMENTS.—Of the total number of acres enrolled in the program at any one time through the methods described in paragraph (2)(A), the Secretary shall ensure that at least 60 percent of the acres were enrolled through the use of 30-year rental agreements and permanent and long-term easements described in clause (ii) of such paragraph.".

(c) ENROLLMENT OF CONSERVATION RESERVE PROGRAM LAND.—Section 1238N of such Act (16 U.S.C. 3838n) is amended by adding at the end the following new subsection:

"(d) ENROLLMENT OF CONSERVATION RESERVE PROGRAM LAND.—

"(1) ENROLLMENT AUTHORIZED.—Subject to the eligibility requirements of subsection (c) and all other requirements of this subchapter, land enrolled in the conservation reserve program may be enrolled in the grassland reserve program if the Secretary determines that the land is of high ecological value and under significant threat of conversion to other uses.

"(2) MAXIMUM ENROLLMENT.—The number of acres of conservation reserve program land enrolled under this subsection in a calendar year shall not exceed 10 percent of the total number of acres enrolled in the grassland reserve program in that calendar year.

"(3) PROHIBITION ON DUPLICATION OF PAYMENTS.—Land enrolled in the program under this subsection shall no longer be eligible for payments under the conservation reserve program.".

(d) BIODIVERSITY AND ALLOCATIONS.—Section 1238O of such Act (16 U.S.C. 3838o) is amended—

(1) redesignating subsection (d) as subsection (f); and

(2) by inserting after subsection (c) the following new subsections:

"(d) BIODIVERSITY.—In emphasizing support for biodiversity consistent with the requirements of subsection (c), the Secretary shall give priority to agreements and easements that protect and restore habitat for rare, threatened, endangered, and candidate species.

"(e) ALLOCATIONS.—In making allocations to States to carry out this subchapter, the Secretary shall consider—

"(1) to what extent the State evaluates and ranks applications for easements and agreements consistent with the requirements of subsection (c);

"(2) the total number of acres of grassland in the State that are under threat of conversion to other uses, including conversion to more intensive agricultural use as well as conversion to non-agricultural use;

"(3) the total number of acres of grassland in the State that provide important habitat for federally listed threatened or endangered species and other wildlife species of concern;

"(4) to what extent the State implements the program to ensure that, to the maximum extent practicable, the program results in the conservation of large tracts of contiguous grasslands; and

"(5) to what extent the State prioritizes enrollment of grasslands that are adjacent to other land under permanent protection, such as State or Federal land or land covered by a conservation easement.".

(e) USE OF PRIVATE ORGANIZATIONS OR STATE AGENCIES.—Section 1238Q of such Act (16 U.S.C. 3838q) is amended—

(1) by striking subsection (a) and inserting the following new subsection:

"(a) AUTHORITY TO USE PRIVATE ORGANIZATIONS OR STATES.—The Secretary may permit a private conservation or land trust organization (referred to in this section as a 'private organization') or a State agency to own, write, and enforce an easement under this subchapter, in lieu of the Secretary, subject to the right of the Secretary to conduct periodic inspections and enforce the easement, if—

"(1) the Secretary determines that granting the permission will promote protection of grassland, land that contains forbs, and shrubland;

"(2) the owner authorizes the private organization or State agency to hold and enforce the easement; and

"(3) the private organization or State agency agrees to assume the costs incurred in administering and enforcing the easement, including the costs of restoration or rehabilitation of the land as specified by the owner and the private organization or State agency.";

(2) in subsection (b), by striking "hold" and inserting "own, write,";

(3) in subsection (c), by striking ''hold'' and inserting ''own, write,''; and

(4) by striking subsection (d) and inserting the following new subsections:

''(d) PROHIBITIONS ON LIMITATIONS.—Notwithstanding any provision of State law to the contrary, a conservation easement held by the United States, held by a private organization under this section, or held by its successors or assigns under this section shall not be limited in duration or scope or be defeasible by—

''(1) the conservation easement being in gross or appurtenant;

''(2) the management of the conservation easement having been delegated or assigned to a non-Federal entity; or

''(3) any requirement under State law for re-recordation or renewal of the easement.

''(e) RULE OF CONSTRUCTION.—Notwithstanding any provision of State law to the contrary, a conservation easement shall be construed to effectuate the Federal purposes for which the conservation easement was acquired and, in interpreting the terms of the conservation easement, there shall be no presumption favoring the conservation easement holder or fee owner.

''(f) REASSIGNMENT.—

"(1) REASSIGNMENT REQUIRED.—If a private organization holding an easement on land under this subchapter terminates, the owner of the land subject to the easement shall reassign, not later than 30 days after termination of the private organization, the easement—

"(A) to another private organization approved by the Secretary; or

"(B) to the Secretary.

"(2) NOTIFICATION OF SECRETARY.—If an easement is reassigned to another private organization under paragraph (1), the owner and the new organization shall notify the Secretary in writing, not later than 60 days after the date of reassignment, that the reassignment has been made. If the notification is not provided, the easement shall revert to the control of the Secretary.".

(f) SPECIAL GRASSLANDS RESERVE ENHANCEMENT PROGRAM.—Subchapter C of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 is amended by inserting after section 1238Q (16 U.S.C. 3838q) the following new section:

"SEC. 1238R. GRASSLANDS RESERVE ENHANCEMENT PROGRAM.

"The Secretary may enter into such agreements for payments to States, including political subdivisions and agencies of States, that the Secretary determines will advance the purposes of the grassland reserve program. Section 1305(d) of the Agricultural Reconciliation Act of 1987 (Public Law 100–203; 7 U.S.C. 1308 note) does not apply to payments received by a State or political subdivision or agency thereof in connection with such an agreement.".

SEC. 206. WILDLIFE HABITAT INCENTIVE PROGRAM.

(a) EXTENSION AND FUNDING.—Section 1241(a)(7) of the Food Security Act of 1985 (16 U.S.C. 3841(a)(7)) is amended by striking subparagraphs (A) through (D) and inserting the following new subparagraphs:

"(A) $100,000,000 in fiscal year 2008;

"(B) $140,000,000 in fiscal year 2009;

"(C) $200,000,000 in each of fiscal years 2010 and 2011; and

"(D) $300,000,000 in fiscal year 2012.".

(b) LONG-TERM AGREEMENTS AND CONTRACTS.—Subsection (b)(2) of section 1240N of such Act (16 U.S.C. 3839bb–1) is amended—

(1) in subparagraph (A), by striking "in addition to amounts provided under paragraph (1)" and

inserting "in an amount up to 100 percent of the actual cost of any practice required by the agreement or contract"; and

(2) in subparagraph (B), by striking "not more than 15 percent" and inserting "25 percent".

(c) INCENTIVE PAYMENTS AND PROGRAM PRIORITIES.—Section 1240N of such Act (16 U.S.C. 3839bb–1) is amended by adding at the end the following new subsections:

"(d) INCENTIVE PAYMENTS FOR AGREEMENTS BENEFITTING LISTED SPECIES.—In a case in which the Secretary enters into an agreement or contract to protect and restore habitat for a federally or State-listed endangered, threatened, or candidate species, the Secretary may provide incentive payments to landowners to protect and restore the habitat, including the cost of management activities needed during the term of the agreement or contract.

"(e) PRIORITIES.—In carrying out this section, the Secretary shall give priority to agreements and contracts that—

"(1) protect and restore habitat for rare, threatened, endangered, and candidate species; or

"(2) further the goals and objectives of the State comprehensive wildlife conservation strategy.

"(f) ALLOCATIONS.—In making allocations to States to carry out this chapter, the Secretary shall consider to what degree each State—

"(1) gives priority to the protection and restoration of habitat for rare, threatened, endangered, and candidate species and for furtherance of the State comprehensive wildlife conservation strategy under subsection (e); and

"(2) complies with the wildlife action plan for the State under subsection (f).

"(g) COOPERATIVE AGREEMENTS.—To the maximum extent practicable, the Secretary shall enter into cooperative agreements with State wildlife and natural resources agencies to implement this section, including delivery of technical assistance.".

SEC. 207. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

(a) EXTENSION.—

(1) FUNDING EXTENSION AND INCREASE.—Section 1241(a) of the Food Security Act of 1985 (16 U.S.C. 3841(a)) is amended by striking paragraph (6) and inserting the following new paragraph:

"(6) The environmental quality incentives program under chapter 4, using, to the maximum extent practicable—

"(A) $1,400,000,000 in fiscal year 2008;

"(B) $1,600,000,000 in fiscal year 2009;

"(C) $1,800,000,000 in each of fiscal years 2010 and 2011; and

"(D) $2,000,000,000 in fiscal year 2012.".

(2) CONFORMING AMENDMENTS.—Chapter 4 of subtitle D of title XII of such Act is amended—

(A) in section 1240B(a)(1) (16 U.S.C. 3839aa–2(a)(1)), by striking "2007" and inserting "2012"; and

(B) in subsection 1240G (16 U.S.C. 3839aa–7), by striking "2007" and inserting "2012".

(b) DEMONSTRATION OF STRUCTURAL AND LAND MANAGEMENT PRACTICES.—

(1) ELIGIBILITY.—Section 1240B(a)(2) of the Food Security Act of 1985 (16 U.S.C. 3839aa–(a)(2)) is amended—

(A) by striking "and" at the end of subparagraph (A);

(B) by striking the period at the end of subparagraph (B) and inserting "; and"; and

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

''(C) a producer that demonstrates a structural or land management practice, including project monitoring, measurement, outreach, or education shall be eligible to receive cost-share or incentive payments.''.

(2) CONFORMING AMENDMENTS.—(A) Section 1240(3) of such Act (16 U.S.C. 3839aa(3)) is amended by striking ''and maintain'' and inserting '', maintain, and demonstrate''.

(B) Section 1240F(1) of such Act (16 U.S.C. 3839aa–6(1)) is amended by striking ''and implementing'' and inserting '', implementing, or demonstrating''.

(c) PREDATOR DETERRENCE.—Section 1240B(a) of the Food Security Act of 1985 (16 U.S.C. 3839aa–(a)) is amended by adding at the end the following paragraph:

''(3) PREDATOR DETERRENCE.—A producer that implements practices or other measures as part of a system of proactive predator deterrence for large carnivores, including the use of range riders, removal of carcasses, and installation of electric fencing around calving areas, shall be eligible to re-

ceive cost-share or incentive payments under this chapter.''.

(d) BIDDING DOWN.—Section 1240B(c) of the Food Security Act of 1985 (16 U.S.C. 3839aa–2(c)) is amended by inserting before the period at the end the following: '', except that this prohibition does not relieve the Secretary of the obligation to ensure that cost-effectiveness is prioritized in the evaluation of offers and payments, as provided by section 1240C(1)''.

(e) INCENTIVE PAYMENT RATES.—Section 1240B(e) of the Food Security Act of 1985 (16 U.S.C. 3839aa–2(e)(2)) is amended—

(1) in paragraph (1), by adding at the end the following new sentence: ''The Secretary shall establish different rates to accommodate variation in the cost of practices and product value.''; and

(2) by adding at the end the following new paragraph:

''(3) RATES FOR COMPONENT PRACTICES.—The Secretary shall develop additional incentive payment rates for components of a practice that promotes residue, nutrient, pest, invasive species, or air quality management. The amount and rate of incentive payments for a component practice shall be scaled according to the anticipated level of impact of that

practice on the priority resource concerns, such that more advanced management practices that yield greater environmental benefit will receive higher payments.''.

(f) ALLOCATION OF FUNDING.—Section 1240B(g) of the Food Security Act of 1985 (16 U.S.C. 3839aa–2(g)) is amended by adding at the end the following new sentence: ''When making initial allocations of funds to States to make cost-share and incentive payments under this chapter, the Secretary shall consider to what degree producers in each State are under pressure to comply with existing local, State, or Federal environmental regulations, or may have to comply with such regulations in the future.''.

(g) EVALUATION OF APPLICATIONS FOR COST-SHARE PAYMENTS AND INCENTIVE PAYMENTS.—Section 1240C of the Food Security Act of 1985 (16 U.S.C. 3839aa–3) is amended to read as follows:

''SEC. 1240C. EVALUATION OF APPLICATIONS FOR COST-SHARE PAYMENTS AND INCENTIVE PAYMENTS.

''(a) PRIORITIES AND CRITERIA.—In evaluating applications for cost-share payments and incentive payments, the Secretary shall—

"(1) prioritize applications based on how effectively and comprehensively designated resource concerns are addressed;

"(2) prioritize applications based on their overall level of cost-effectiveness to ensure that the conservation practices, systems, and approaches proposed are the most efficient means of producing the proposed project's anticipated environmental benefits;

"(3) reward higher levels of environmental performance, such as advanced levels of management within management practices; and

"(4) develop criteria for evaluating applications that will ensure that national, State, and local conservation priorities are effectively addressed.

"(b) WILDLIFE.—In evaluating applications for cost-share payments and incentive payments related to projects intended primarily to improve wildlife habitat, the Secretary, in addition to meeting the requirements of subsection (a), shall give priority to applications that protect and restore habitat for rare, threatened, endangered, and candidate species or further the goals and objectives of the State comprehensive wildlife conservation strategy.".

(h) SUPPORT FOR PROGRAM PLANS.—Section 1240F of the Food Security Act of 1985 (16 U.S.C. 3839aa–6) is amended—

(1) by striking ''and'' at the end of paragraph (1);

(2) by striking the period at the end of paragraph (2) and inserting ''; and''; and

(3) by adding at the end the following new paragraph:

''(3) developing partnerships with other agencies and contracting with technical assistance providers to supplement Department expertise and staffing capacity as necessary.''.

(i) CONSERVATION INNOVATION GRANTS.—Section 1240H of the Food Security Act of 1985 (16 U.S.C. 3839aa–8) is amended—

(1) in subsection (a), by striking ''may'' and inserting ''shall'';

(2) in subsection (b)—

(A) by striking ''may'' and inserting ''shall'';

(B) in paragraph (2)—

(i) by striking ''and'' at the end of subparagraph (A); and

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

''(C) alternative energy projects, such as solar and wind power energy systems and conversion of equipment to run on bio-fuels, to reduce greenhouse gas emissions and reliance on fossil fuels in farm operations;''.

(C) by striking the period at the end of paragraph (3) and inserting ''; and''; and

(D) by adding at the end the following new paragraph:

''(4) include a plan for technology transfer.'';

(3) by adding at the end the following new subsections:

''(d) TECHNOLOGY TRANSFER.—To the maximum extent practicable, the Secretary shall ensure efficient, effective transfer of innovative technologies and approaches demonstrated through projects that receive funding under this section.

''(e) FUNDING.—Of the amounts made available under section 1241(a)(6) to carry out this chapter, the Secretary shall use to carry out this section—

''(1) $40,000,000 for fiscal year 2008;

''(2) $50,000,000 for fiscal year 2009;

''(3) $60,000,000 for fiscal year 2010; and

"(4) $75,000,000 for each of fiscal years 2011 and 2012.".

(j) FUNDING UNDER GROUND AND SURFACE WATER CONSERVATION PROGRAM.—Section 1240I of the Food Security Act of 1985 (16 U.S.C. 3839aa–9) is amended by striking subsection (c) and inserting the following new subsection:

"(b) FUNDING.—The Secretary shall use $100,000,000 of the funds of the Commodity Credit Corporation to carry out this section for each of fiscal years 2008 through 2012. These funds are in addition to amounts made available under section 1241(a)(6) to carry out this chapter.".

(k) AIR QUALITY IMPROVEMENT AND PERFORMANCE INCENTIVES FOR STATES.—Chapter 4 of subtitle D of title XII of such Act is amended by adding at the end the following new sections:

"SEC. 1240J. AIR QUALITY IMPROVEMENT.

"(a) AVAILABILITY OF COST-SHARE PAYMENTS AND INCENTIVE PAYMENTS.—In carrying out this chapter, the Secretary shall promote air quality by providing cost-share payments and incentive payments to individual producers to address air quality concerns associated with agriculture.

"(b) ELIGIBLE PRACTICES, COST-SHARE.—

"(1) REDUCTION OF EMISSIONS OF CRITERIA POLLUTANTS AND AIRBORNE TOXINS.—In addition to practices eligible for cost-share payments under this chapter, the Secretary shall provide cost-share payments to producers under this section for mobile or stationary equipment, including engines, used in an agricultural operation that will reduce emissions of criteria pollutants and airborne toxins.

"(2) CONSIDERATIONS.—In evaluating applications for cost-share assistance for equipment described in paragraph (1), the Secretary shall prioritize assistance for equipment that—

"(A) is the most cost-effective in addressing air quality concerns; and

"(B) will assist producers in meeting State or local regulatory requirements related to air quality.

"(c) LOCATIONS.—In order for producers to receive payments under this section, a project must be located in a county—

"(1) that is in non-attainment for ambient air quality standards for ozone, particulate matter, or both;

"(2) in which there is air quality degradation, recognized by a State or local regulating agency, to

which agricultural emissions significantly contribute; or

"(3) in which the Secretary determines that pesticide drift is a priority concern.

"(d) PRIORITY.—The Secretary shall give priority to projects that—

"(1) involve multiple producers implementing eligible conservation activities in a coordinated way to promote air quality; or

"(2) are designed to encourage broad adoption of innovative approaches, including approaches involving the use of innovative technologies and integrated pest management, so long as the technologies do not have the unintended consequence of compromising other environmental goals.

"(e) FUNDING.—

"(1) AMOUNTS.—The Secretary shall use funds of the Commodity Credit Corporation to carry out this section in the following amounts:

"(A) $25,000,000 for fiscal year 2008;

"(B) $45,000,000 for fiscal year 2009;

"(C) $60,000,000 for fiscal year 2010;

"(D) $75,000,000 for fiscal year 2011; and

"(E) $100,000,000 for fiscal year 2012.

"(2) RELATION TO OTHER FUNDS.—The funds made available under paragraph (1) are in addition to amounts made available under section 1241(a)(6) to carry out this chapter.

"SEC. 1240K. PERFORMANCE INCENTIVES FOR STATES.

"(a) HIGH LEVEL OF PERFORMANCE BONUS.—For each of fiscal years 2008 through 2012, 20 percent of the funds made available under this chapter shall be reserved by the Secretary for bonus allocations to States that demonstrate a high level of performance in implementing the environmental quality incentives program.

"(b) SPECIAL CONSIDERATIONS.—In evaluating State performance under subsection (a), the Secretary shall reward States that—

"(1) consistently meet the requirements of section 1240C in evaluating offers and payments;

"(2) dedicate a portion of their annual environmental quality incentives program allocation to multi-producer cooperative efforts to address specific resource concerns;

"(3) demonstrate effective and efficient program delivery, including the provision of adequate technical assistance to all program participants through appropriate staffing and through cooperation with other Federal, State, Tribal, and local

agencies, for-profit and nonprofit organizations, and individuals with demonstrated expertise in the planning and implementation of conservation practices, systems, and approaches;

''(4) collaborate with other Federal and State agencies, local governments, educational institutions, and for-profit and nonprofit organizations to evaluate the environmental outcomes associated with implementation of the environmental quality incentives program;

''(5) ensure broad participation in State Technical Committees; and

''(6) ensure that priorities established at the State level are effectively addressed by local work groups.''.

SEC. 208. COOPERATIVE CONSERVATION PARTNERSHIP INITIATIVE.

(a) ESTABLISHMENT OF GRANT PROGRAM.—Subtitle D of title XII of the Food Security Act of 1985 is amended by adding at the end the following new chapter:

"CHAPTER 6—COOPERATIVE CONSERVATION PARTNERSHIP INITIATIVE

"SEC. 1240W. COOPERATIVE CONSERVATION PARTNERSHIP INITIATIVE.

''(a) GRANTS AND AGREEMENTS.—The Secretary shall make grants and enter into agreements for not shorter than two-year or longer than five-year terms with eligible entities specified in subsection (c) to preferentially enroll producers in one or more of the programs specified in subsection (b) to carry out special projects and initiatives through which multiple producers and other interested persons cooperate to address specific resources of concern related to agricultural production on a local, State, or regional scale.

''(b) COVERED PROGRAMS.—The conservation programs referred to in subsection (a) are the following:

''(1) Conservation reserve program, but only the continuous signup portion of the program.

''(2) Conservation reserve enhancement program.

''(3) Environmental quality incentives program.

''(4) Farmland protection program.

''(5) Grassland reserve program.

''(6) Ground and surface water conservation program.

"(7) Wetland reserve program.

"(8) Wildlife habitat incentive program.

"(c) ELIGIBLE PARTNERS.—Agreements may be entered into under this section with any of the following (or a combination thereof):

"(1) States and agencies of States.

"(2) Political subdivisions of States, including State-sponsored conservation districts.

"(3) Indian tribes.

"(4) Nongovernmental organizations and associations, including producer associations, farmer cooperatives, extension associations, and conservation organizations with a history of working cooperatively with producers to effectively address resource concerns related to agricultural production, as determined by the Secretary.

"(d) APPLICATIONS.—

"(1) COMPETITIVE PROCESS.—The Secretary shall establish a competitive process for considering applications for agreements under this section consistent with the evaluation criteria listed in subsection (e).

"(2) PROGRAM ALLOCATION.—Applications shall include—

"(A) specification of the amount of funding or acres, or both, of one or more covered programs specified in subsection (b) proposed to be allocated to carry out the special project or initiative; and

"(B) a schedule for utilization of funding or acres over the life of the proposed project or initiative.

"(e) EVALUATION CRITERIA.—In evaluating applications for agreements under this section the Secretary shall consider the extent to which—

"(1) preferential enrollment in the covered programs specified in the application will effectively address the environmental objectives established for the special project or initiative; and

"(2) the special project or initiative covered by the application—

"(A) enjoys broad local and regional support from producers and other interested persons, including governmental and nongovernmental organizations with appropriate expertise on the issues the project or initiative seeks to address;

"(B) includes clear environmental objectives and a high likelihood of success;

"(C) includes a well defined project or initiative plan that identifies sensitive areas requiring treatment and prioritizes conservation systems, practices, and activities needed to achieve environmental objectives;

"(D) promises adequate and coordinated participation to achieve the objectives of the project or initiative;

"(E) coordinates integration of local, State, and Federal efforts to make the best use of available resources and maximize cost-effective investments;

"(F) leverages financial and technical resources from sources other than the programs authorized by this subtitle, including financial and technical resources provided by Federal and State agencies, local governments, nongovernmental organizations and associations, and other private sector entities;

"(G) describes how all necessary technical assistance will be provided to each producer participating in the project or initiative, including cost estimates for technical assistance and whether such assistance will be provided by technical service providers;

"(H) describes how the administrative costs of the project or initiative will be minimized;

"(I) addresses a local, State, regional, or national environmental priority or priorities, with particular emphasis on any priority for which there is an existing State or federally approved plan in place for addressing that priority;

"(J) includes a plan to evaluate progress and measure results; and

"(K) clearly demonstrates that enrollment of producers in covered programs will be consistent with the purposes and policies of each individual program, as established in statute, rules and regulations, and program guidance promulgated by implementing agencies.

"(f) PRIORITIES.—To the maximum extent practicable, consistent with the requirements of subsection (d), the Secretary shall ensure that, each fiscal year, grants are awarded and agreements are entered into under this section to support projects and initiatives that collectively address the full range of resource concerns facing producers, ranchers, and small private forest landowners, in-

cluding specifically projects and initiatives that are designed—

"(1) to achieve improvements in water quality in watersheds impacted by agriculture, particularly by increasing the participation of producers in implementing best management practices in a watershed or developing environmentally and economically viable alternative uses for manure and litter;

"(2) to achieve improvements in air quality in a geographical area where agricultural operations impact air quality, especially an area that, as determined by the Administrator of the Environmental Protection Agency, is a nonattainment area with respect to any of the national ambient air quality standards promulgated by the Administrator under section 109 of the Clean Air Act (42 U.S.C. 7409);

"(3) to conserve water for environmental purposes, such as enhanced in stream flows or aquifer recharge in regions, States, or local areas where water quantity is a concern;

"(4) to assist in the recovery of Federal or State-listed endangered species or species of special concern or to further the goals and objectives of a State's comprehensive wildlife conservation plan

through the cooperative efforts of multiple producers;

"(5) to control invasive species on rangeland or other agricultural land through the cooperative efforts of multiple producers in a geographical area;

"(6) to address a specific resource of concern or set of concerns on private, non-industrial forest land;

"(7) to reduce losses of pesticides to the environment by engaging multiple producers in a geographic area in adoption of integrated pest management practices and approaches; and

"(8) to keep working farms and ranches facing development pressures in agricultural use.

"(g) COST SHARE.—

"(1) MAXIMUM; EXCEPTIONS.—The Secretary shall not require more than 25 percent of the cost of a project or initiative supported under an agreement entered into under this section to come from non-Federal sources. However, the Secretary may award more points to projects or initiatives offering to cover a higher percentage of the cost of the project or initiative from non-Federal sources.

"(2) IN-KIND CONTRIBUTIONS.—If the Secretary establishes a cost-share requirement for a

1 project or initiative, the Secretary shall allow the use
2 of in-kind contributions to meet that requirement.
3 ''(h) FUNDING.—
4 ''(1) SET-ASIDE.—Of the funds provided each
5 fiscal year to implement the programs specified in
6 subsection (b), the Secretary shall reserve the fol-
7 lowing percentages to ensure an adequate source of
8 funds for agreements entered into under this section:
9 ''(A) 5 percent for fiscal year 2008;
10 ''(B) 10 percent for each of fiscal years
11 2009 and 2010; and
12 ''(C) 15 percent for fiscal years 2011 and
13 2012.
14 ''(2) ALLOCATION TO STATES.—The Secretary
15 shall allocate to States 60 percent of the funds re-
16 served under paragraph (1) for a fiscal year to allow
17 State Conservationists, with the advice of State tech-
18 nical committees, to select projects and initiatives
19 for funding under this section at the State level. The
20 allocation shall be made on a similar basis as what
21 would have been the case under the covered pro-
22 grams identified in subsection (b).''.
23 (b) CONFORMING REPEAL.—Section 1243 of the
24 Food Security Act of 1985 (16 U.S.C. 3843) is amended
25 by striking subsection (f).

SEC. 209. REGIONAL EQUITY IN FUNDING OF CERTAIN DEPARTMENT OF AGRICULTURE CONSERVATION PROGRAMS.

Subsection (d) of section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841) is amended to read as follows:

"(d) MINIMUM BASE ALLOCATION TO STATES FOR CERTAIN CONSERVATION PROGRAMS.—

"(1) MINIMUM ALLOCATION.—Before April 1 of each fiscal year, the Secretary shall give priority for funding under the conservation programs under this subtitle, other than the programs excluded by paragraph (2), to approved applications in any State that has not received, for that fiscal year, an aggregate amount of at least $12,000,000 for those conservation programs.

"(2) CERTAIN PROGRAMS EXCLUDED.—Paragraph (1) does not apply to the following programs:

"(A) The conservation reserve program under subchapter B of chapter 1.

"(B) The wetlands reserve program under subchapter C of chapter 1.

"(C) The conservation security program under subchapter A of chapter 2.

"(D) The grassland reserve program under subchapter C of chapter 2.".

SEC. 210. INTEGRATED PEST MANAGEMENT INITIATIVE.

Subtitle F of title XII of the Food Security Act of 1985 (16 U.S.C. 3830 et seq.) is amended by adding at the end the following new section:

"SEC. 1257. INTEGRATED PEST MANAGEMENT INITIATIVE.

"(a) INITIATIVE REQUIRED.—The Secretary shall implement an integrated pest management initiative in priority regions identified by the Secretary under subsection (b) for the purpose of assisting agricultural producers operating in such regions to comply with pest management regulations and alleviate the need for additional regulations regarding pest management activities.

"(b) IDENTIFICATION OF PRIORITY REGIONS.—

"(1) IDENTIFICATION.—The Secretary of Agriculture shall identify priority regions where the adoption by agricultural producers of integrated pest management practices and approaches offers the greatest potential benefit to producers seeking to comply with environmental regulations and alleviate the need for additional regulations resulting from pest management activities. Priority regions shall include agricultural lands dominated by the production of specialty crops and agricultural lands where agricultural pest management activities are regulated for the purpose of mitigating specific impacts to human health or the environment, such as an area in which

1 pollutants exceed authorized total maximum daily
2 load or an air quality non-attainment area.
3 "(2) CONSULTATION.—The Secretary shall
4 identify priority regions in consultation with the En-
5 vironmental Protection Agency, the United States
6 Geological Service, the United States Fish and Wild-
7 life Service, agricultural producers, appropriated
8 State agencies, and other interested persons.
9 "(c) ACTIVITIES IN PRIORITY REGIONS.—
10 "(1) EXPEDITED APPROVAL OF MANAGEMENT
11 PRACTICES.—The Secretary of Agriculture shall de-
12 velop the best-available integrated pest management
13 practices for the primary agricultural commodities
14 and significant pests in each priority region identi-
15 fied under subsection (b) and expedite approval of
16 these practices for implementation by agricultural
17 producers.
18 "(2) IMPROVED EVALUATION OF MANAGEMENT
19 PLANS.—The Secretary shall develop and make
20 available criteria to enable staff of the Natural Re-
21 sources Conservation Service and agricultural pro-
22 ducers operating in priority regions identified under
23 subsection (b) to effectively compare pest manage-
24 ment plans, considering relative risks and potential
25 benefits to multiple resources of concern, including

air, surface water, ground water, bees and other pollinators, wildlife, and worker safety.

"(3) TECHNICAL ASSISTANCE.—The Secretary shall enter in cooperative agreements, memorandums of understanding, and contracts for services with other agencies and non-Federal organizations, as necessary, to assist in providing technical assistance regarding integrated pest management planning and implementation to producers operating in priority regions identified under subsection (b).

"(4) MARKETING.—The Secretary shall market the availability of integrated pest management tools and training to agricultural producers in the priority regions identified under subsection (b).

"(5) PROGRAM INTEGRATION.—The Secretary shall set goals for integrating the integrated pest management initiative with the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) and other conservation programs in each priority region identified under subsection (b), including indicators of the extent to which these programs fund integrated pest management practices and the extent to which sup-

ported integrated pest management practices reduce pesticide use and risk.

"(d) FUNDING.—The Secretary of Agriculture may use resources provided for programs under this title to implement the integrated pest management initiative.".

SEC. 211. TECHNICAL ASSISTANCE UNDER DEPARTMENT OF AGRICULTURE CONSERVATION PROGRAMS.

(a) USE OF THIRD-PARTY PROVIDERS.—Section 1242 of the Food Security Act of 1985 (16 U.S.C. 3842) is amended—

(1) in subsection (a), by striking paragraph (2) and inserting the following new paragraph:

"(2) at the option of the producer, through an approved third party, if available."; and

(2) in subsection (b)—

(A) by striking paragraph (1) and inserting the following new paragraph:

"(1) SYSTEM FOR EVALUATION OF PROVIDERS.—The Secretary shall establish, by regulation, a system for approving individuals and entities to provide technical assistance to carry out programs under this chapter, including criteria for the evaluation of providers or potential providers of technical assistance. The system shall require, as part of the

approval process, consultation with county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)).";

(B) by striking paragraph (3) and inserting the following new paragraph:

"(3) COMPETITIVE BIDDING.—The Secretary may accept bids from approved third parties to provide technical assistance to producers eligible for that assistance."; and

(C) in paragraph (4), by striking "may request" and inserting "shall request, to the maximum extent practicable,".

(b) COOPERATIVE CONSERVATION EDUCATIONAL ASSISTANCE PROGRAM; TECHNICAL ASSISTANCE.—Such section is further amended by adding at the end the following new subsections:

"(c) COOPERATIVE CONSERVATION EDUCATIONAL ASSISTANCE PROGRAM.—The Secretary shall establish a cooperative conservation educational assistance program through which a student at an institution of higher education, in a field of study such as agronomy, conservation biology, engineering, and other subject relevant to the provision of technical assistance under this section, may receive educational assistance in exchange for a commitment

of service to the Natural Resources Conservation Service or other agency within the Department of Agriculture involved in providing such assistance. Establishment of the program shall be carried out by rulemaking, and the final rule shall be issued not later than 180 days after the date of the enactment of this subsection.

"(d) REVIEW AND EXPEDITED APPROVAL OF TECHNICAL ASSISTANCE SPECIFICATIONS.—

"(1) As a condition on participating in programs under this subtitle, a State shall assess the completeness and relevance of existing technical assistance specifications to ensure that the specifications fully incorporate and provide for the appropriate range of conservation practices and resource mitigation measures available to specialty crop producers. In conducting the assessment, the State shall consult with producers, crop consultants, the cooperative extension system, and land-grant colleges and universities, nongovernmental organizations, and other qualified entities. If revisions to technical specifications are determined to be necessary, the state shall establish an administrative process for expediting the incorporation of those revisions.

"(2) TECHNICAL ASSISTANCE.—The Secretary shall ensure that adequate technical assistance is

available for the implementation of practices by specialty crop producers through Federal conservation programs. To comply with this paragraph, the Secretary shall develop—

"(A) programs that meet specific needs of specialty crop producers through cooperative agreements with other agencies and nongovernmental organizations; and

"(B) program specifications that allow for innovative approaches that engage local resources in providing technical assistance for planning and implementation of practices.".

SEC. 212. CONSERVATION LOAN GUARANTEE PROGRAM.

Section 304 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1924) is amended to read as follows:

"SEC. 304. CONSERVATION LOAN GUARANTEE PROGRAM.

"(a) IN GENERAL.—The Secretary may provide a loan guarantee, an interest subsidy, or both, to enable an eligible borrower to obtain a qualified conservation loan.

"(b) DEFINITIONS.—In this section:

"(1) ELIGIBLE BORROWER.—The term 'eligible borrower' means a farmer, rancher, farm cooperative, private domestic corporation, partnership, joint operation, trust, or limited liability company, that is

engaged primarily and directly in agricultural production in the United States.

"(2) QUALIFIED CONSERVATION LOAN.—The term 'qualified conservation loan' means a loan that meets the following requirements:

"(A) PURPOSE.—The loan proceeds are required to be used to cover the costs to the borrower of carrying out a qualified conservation project.

"(B) PRINCIPAL AMOUNT.—The principal amount of the loan is not more than $1,000,000.

"(C) REPAYMENT PERIOD.—The loan repayment period shall not exceed 10 years.

"(D) NO REPAYMENT REQUIRED IN FIRST YEAR.—The lender is prohibited from requiring any part of the loan to be repaid in the 1-year period that begins with the date of the closing of the loan.

"(E) NO LOAN FORGIVENESS.—The lender is prohibited from forgiving any part of the loan.

"(F) LIMITED PROCESSING FEE.—The total of all processing fees charged with respect

to the loan does not exceed such amount as shall be prescribed by the Secretary.

"(3) QUALIFIED CONSERVATION PROJECT.—The term 'qualified conservation project' means, with respect to an eligible borrower, conservation measures included in a conservation plan, approved by the Secretary under other authority, for a farming or ranching operation of the borrower, including but not limited to—

"(A) the installation of conservation structures, including terraces, sod waterways, permanently vegetated stream borders and filter strips, windbreaks (tree or grass), shelter belts, and living snow fences, if all plantings consist of vegetation appropriate to the locale;

"(B) the installation of water conservation measures;

"(C) the installation of waste management systems;

"(D) the establishment or improvement of permanent pasture;

"(E) the payment of costs of complying with section 1212 of the Food Security Act of 1985;

"(F) other purposes consistent with the conservation plan;

"(G) any conservation project or practice, as described by technical guides and handbooks issues by the Natural Resources Conservation Service; or

"(H) emerging conservation practices, techniques, or technologies, as approved by the Secretary.

"(c) LIMITATIONS APPLICABLE TO LOAN GUARANTEES.—

"(1) LIMITATION ON AMOUNT OF GUARANTEE.—The portion of a loan that the Secretary may guarantee under this section shall be not less than 80 percent and not more than 90 percent of the principal amount of the loan.

"(2) LIMITATION ON TOTAL AMOUNT OUTSTANDING.—The aggregate principal amount of outstanding loans guaranteed by the Secretary under this section shall not exceed $1,000,000,000.

"(d) LIMITATION ON AMOUNT OF INTEREST SUBSIDY.—The interest subsidy which the Secretary may provide under this section with respect to a loan shall result in a reduction of the interest rate agreed upon by the borrower and the lender (but to not less than zero) by—

"(1) 500 basis points, if the principal amount of the loan is less than $100,000;

"(2) 400 basis points, if the principal amount of the loan is not less than $100,000 and is less than $500,000; and

"(3) 300 basis points, in any other case.

"(e) ADMINISTRATIVE PROVISIONS.—

"(1) AUTHORITY TO COLLECT PROCESSING FEE.—The Secretary may assess a fee to cover the cost of processing an application under this section equal to not more than 1 percent of the principal amount of the loan sought by the applicant, as described in the application.

"(2) PROVISION OF FINANCIAL INFORMATION.—An applicant for a loan guarantee or interest subsidy under this section shall provide the Secretary with such financial information as may be required by the Secretary, in the manner generally required by commercial agricultural lenders in the geographical area where the farming or ranching operation of the applicant is located.

"(3) APPRAISAL.—The Secretary may require that an appraisal made in connection with an application for a loan guarantee or interest subsidy under this section be conducted by a specialized appraiser

that uses standards similar to the standards used for similar purposes in the private sector, as determined by the Secretary.

"(4) APPROVAL OF APPLICATION.—The Secretary shall not approve an application submitted pursuant to this section, unless the Secretary has determined that the project for which the loan is sought is likely to result in a net benefit to the environment.

"(5) DEADLINE FOR DECISION ON APPLICATION.—To the maximum extent practicable, within 60 business days after the receipt of an application for assistance under this section, the Secretary shall transmit to the applicant the decision of the Secretary to approve or disapprove the application.

"(6) EQUITABLE DISTRIBUTION OF LOAN GUARANTEES AND INTEREST SUBSIDIES.—The Secretary shall ensure, to the maximum extent practicable, that loan guarantees and interest subsidies under this section are equitably distributed among agricultural producers according to the size of their farming operations, as determined on the basis of the value of the crops produced by the operations.

"(f) RELATIONSHIP WITH OTHER CONSERVATION PROGRAMS.—Neither the application for, nor the receipt

of, a loan guarantee or an interest subsidy under this section shall affect the eligibility of the recipient for assistance under title XII of the Food Security Act of 1985 or the Watershed Protection and Flood Prevention Act.

"(g) APPROPRIATIONS.—For each of fiscal years 2008 through 2013, the Secretary shall use such funds of the Commodity Credit Corporation as are necessary to carry out this section.".

SEC. 213. EMERGENCY CONSERVATION PROGRAM.

Section 401 of the Agricultural Credit Act of 1978 (16 U.S.C. 2201) is amended by adding at the end the following new sentence: "Assistance provided under this title may include reimbursement for emergency measures undertaken to clean-up nursery debris resulting from wind erosion, floods, hurricanes, or other natural disasters.".

SEC. 214. EXCLUSION OF PAYMENTS UNDER DEPARTMENT OF AGRICULTURE CONSERVATION PROGRAMS FROM ADJUSTED GROSS INCOME LIMITATION.

Section 1001D(b)(2) of the Food Security Act of 1985 (7 U.S.C. 1308–3a) is amended by striking subparagraph (C).

SEC. 215. ENCOURAGEMENT OF VOLUNTARY SUSTAINABILITY PRACTICES GUIDELINES.

In administering this title and the amendments made by this title, the Secretary of Agriculture may encourage the development of voluntary sustainable practices guidelines for producers and processors of specialty crops.

SEC. 216. ASSISTANCE TO ADDRESS LONG-TERM CLIMATE CHANGE.

Whenever practicable, the Secretary of Agriculture shall utilize programs of the Department of Agriculture to provide technical or financial assistance to producers and processors of specialty crops to address the adverse impacts of long-term climate change, including the compliance of producers and processors with governmental regulations related to long-term climate change.

TITLE III—TRADE

SEC. 301. TECHNICAL ASSISTANCE FOR SPECIALTY CROPS.

(a) FUNDING AND CARRYOVER OF FUNDING.—Subsection (d) of section 3205 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 5680) is amended to read as follows:

"(d) FUNDING AND CARRYOVER OF FUNDING.—

"(1) FUNDING.—To carry out the program, the Secretary shall make available funds of the Commodity Credit Corporation, or an equal value of

commodities owned by the Commodity Credit Corporation, in the amount of—

"(A) $4,000,000 for fiscal year 2008;

"(B) $6,000,000 for fiscal year 2009;

"(C) $8,000,000 for fiscal year 2010;

"(D) $10,000,000 for each of fiscal years 2011 and 2012.

"(2) CARRYOVER OF FUNDING.—Funds made available for the program under paragraph (1) or under section 201 of the Specialty Crops Competitiveness Act of 2004 (Public Law 108–465; 118 Stat. 3884) shall remain available until expended.".

(b) FLEXIBILITY.—Such section is further amended by adding at the end the following new subsection:

"(e) FLEXIBILITY.—In providing technical assistance under the program, the Secretary should provide for case-by-case extensions, upon the approval of the Administrator of the Foreign Agricultural Service, of time frames provided by regulations in connection with that assistance.".

SEC. 302. COORDINATION OF TRADE OBJECTIVES BETWEEN KEY AGENCIES.

The President shall take steps to ensure increased coordination among relevant agencies within the Department of Agriculture and other agencies within the Executive branch of export and import trade objectives and

greater transparency on work related to sanitary and phytosanitary trade issues.

SEC. 303. MARKET ACCESS PROGRAM.

Section 211(c)(1)(A) of the Agricultural Trade Act of 1978 (7 U.S.C. 5641(c)(1)(A)) is amended—

(1) by striking ''and'' before ''$200,000,000''; and

(2) by inserting ''and $350,000,000 for each of fiscal years 2008 through 2012,'' after ''2007,''.

SEC. 304. GRANT PROGRAM FOR MARKET ANALYSIS RELATED TO ANTI-DUMPING AND COUNTERVAILING DUTY CASES INVOLVING SPECIALTY CROPS.

(a) GRANTS AUTHORIZED.—The Secretary of Agriculture may make grants under this section to a State agency or an association of specialty crop producers (in this section referred to as an ''eligible entity'') to conduct or procure market analysis in connection with anti-dumping and countervailing duty cases involving a specialty crop under consideration by the United States International Trade Commission or the Department of Commerce.

(b) GRANT CRITERIA.—To be eligible for a grant under this section, an eligible entity must establish to the satisfaction of the Secretary that—

(1) there has been significant price underselling of the imported specialty crop, as compared with the previous three-year average price of the domestic specialty crop; and

(2) there is a significant increase of the volume or market penetration of the imported specialty crop over the previous three years.

(c) MATCHING FUNDS.—An eligible entity receiving a grant under this section shall contribute non-Federal funds toward the market analysis project for which the grant is provided in an amount at least equal to the amount of the grant.

(d) FUNDING.—The Secretary of Agriculture shall use $10,000,000 of funds of the Commodity Credit Corporation for each of the fiscal years 2008 through 2012 to make grants under this section.

SEC. 305. SENSE OF CONGRESS REGARDING CERTAIN ANTITRUST LAWS APPLICABLE TO AGRICULTURE.

It is the sense of Congress that the Export Trading Company Act (ETC), the Webb-Pomerene Export Act, and the Capper-Volstead Act should be strongly supported because these antitrust laws promote United States agricultural exports and allow specialty crop producers key protections.

TITLE IV—INVASIVE PESTS AND DISEASES

SEC. 401. THREAT IDENTIFICATION AND MITIGATION PROGRAM.

(a) ESTABLISHMENT.—The Administrator of the Animal and Plant Health Inspection Service shall establish and administer a program to determine and prioritize foreign threats to domestic production of specialty crops, including threats of bioterrorism.

(b) PROGRAM.—In conducting the program established under subsection (a), the Administrator of the Animal and Plant Health Inspection Service shall—

(1) consult with the Director of the Center for Plant Health Science and Technology;

(2) develop risk assessments of the potential threat to the specialty crop industry in the United States from foreign threats;

(3) collaborate with the National Plant Board to—

(A) prioritize foreign threats to the specialty crop industry; and

(B) in consultation with State departments of agriculture and other State or regional resource partnerships, develop action plans that effectively address such foreign threats, includ-

ing pathway analysis, offshore mitigation measures, and comprehensive exclusion measures at ports of entry and other key distribution centers in addition to strategies to employ if the foreign pest or disease is introduced;

(4) implement such action plans as soon as they are developed to test the effectiveness of such action plans and help prevent new foreign and domestic pest and disease threats from being introduced or widely disseminated in the United States;

(5) consult with the Administrator of the Agricultural Research Service, where appropriate, and utilize the expertise of the Agricultural Research Service in the development of pest and disease detection and control or eradication strategies;

(6) consult with the United States Trade Representative on both the priority list and action plans after such are developed to ensure future trade agreements include measures to mitigate these threats; and

(7) not use funds available pursuant to subsection (d) for eradication efforts that enhance import opportunities into the United States.

(c) REPORTS.—Not later than one year after the date of the enactment of this Act, and annually thereafter, the

Administrator of the Animal and Plant Health Inspection Service shall update and submit to Congress the priority list and action plans described in subsection (b), including an accounting of funds expended on such action plans.

(d) FUNDING.—The Administrator of the Animal and Plant Health Inspection Service shall use $40,000,000 of the funds of the Commodity Credit Corporation for each of fiscal years 2008 through 2012 to carry out this section.

SEC. 402. EMERGENCY CONTROL, PREVENTION, AND ERADICATION PROGRAMS.

(a) EXTRAORDINARY EMERGENCY.—Section 415 of the Plant Protection Act (7 U.S.C. 7715) is amended by adding at the end the following new subsection:

''(f) SECRETARIAL DISCRETION.—The decision to declare an extraordinary emergency under subsection (a) shall be solely the decision of the Secretary and shall remain in effect until the Secretary determines that the threat posed by the plant pest or noxious weed has abated.''.

(b) PLANT PEST EMERGENCY AUTHORITY.—Section 442 of the Plant Protection Act (7 U.S.C. 7772) is amended—

(1) in the heading, by striking ''**TRANSFER**'' and inserting ''**PLANT PEST EMERGENCY**''; and

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

"(c) SECRETARIAL DISCRETION.—

"(1) DECLARATION OF EMERGENCY.—The decision to declare an emergency in connection with a plant pest or noxious weed that threatens any part of the agricultural production of the United States shall be solely the decision of the Secretary and shall remain in effect until the Secretary determines that the threat posed by the plant pest or noxious weed has abated.

"(2) FUNDS.—The decision of the Secretary to transfer funds pursuant to this section shall be based solely on the threat to agricultural production within the United States. Notwithstanding any other provision of law, the decision of the Secretary shall be final and it shall be unlawful for any officer or employee of the Federal Government other than the Secretary or the designee of the Secretary to contradict, impede, or reverse the transfer of funds the Secretary considers necessary for the arrest, control, eradication, and prevention of the spread of a plant pest or noxious weed and for related expenses.

"(d) APPLIED RESEARCH.—The Secretary shall use the funds of the Commodity Credit Corporation to fund,

as necessary, applied research to resolve issues that may arise during a plant pest emergency. Such research may include the development of new or improved diagnostic methods, biocontrol tools, eradication or control tools, or such other matters as the Secretary determines advance the effort to arrest, control, eradicate, and prevent the spread of a plant pest or noxious weed.

"(e) USE OF COOPERATIVE AGREEMENTS.—

"(1) IN GENERAL.—The Secretary shall, to the greatest extent practicable, enter into a cooperative agreement pursuant to section 432 with a State to assist in the arrest, control, eradication, or prevention of a plant pest or noxious weed connected with an emergency under this section or applied research conducted pursuant to subsection (d).

"(2) NO COST SHARING REQUIRED.—The Secretary shall not require a State entering into a cooperative agreement with the Secretary under paragraph (1) to provide a share of the costs necessary for the arrest, control, eradication, or prevention of the spread of a plant pest or noxious weed connected with an emergency under this section or for applied research conducted pursuant to subsection (d).".

(c) COMPENSATION.—

(1) IN GENERAL.—Section 416 of such Act (7 U.S.C. 7716) is amended to read as follows:

"SEC. 416. COMPENSATION.

"(a) IN GENERAL.—Except as provided in subsection (c), the Secretary shall compensate the owner of any plant, plant product, article, or means of conveyance—

"(1) destroyed or otherwise disposed of by the Secretary under section 414 or 415; or

"(2) for any loss in market value of any plant, plant product, article or means of conveyance restricted by the Secretary from being moved or distributed outside of a quarantine area if the Secretary determines that such plant, plant product, article, or means of conveyance is not infested with or capable of transmitting a disease or plant pest.

"(b) AMOUNT.—

"(1) IN GENERAL.—Subject to paragraphs (2) and (3), the compensation—

"(A) under subsection (a)(1) shall be based on the fair market value, as determined by the Secretary, of the destroyed plant, plant product, article, or means of conveyance; and

"(B) under subsection (a)(2) shall be based on the loss in fair market value of the

plant, plant product, article, or means of conveyance.

"(2) LIMITATION.—Compensation paid any owner under this section shall not exceed the difference between—

"(A) the fair market value of the destroyed plant, plant product, article, or means of conveyance; and

"(B) any compensation received by the owner from a State or other source for the destroyed plant, plant product, article, or means of conveyance.

"(3) REVIEWABILITY.—The determination by the Secretary of the amount to be paid under this section shall be final and not subject to judicial review or review of longer than 60 days by any officer or employee of the Federal Government other than the Secretary or the designee of the Secretary.

"(c) EXCEPTIONS.—No payment shall be made by the Secretary under this section for—

"(1) any plant, plant product, article, or means of conveyance that has been moved or handled by the owner in violation of an agreement for the control and eradication of diseases or pests or in violation of this title;

"(2) any plant, plant product, article, or means of conveyance that is refused entry under this title; or

"(3) any plant, plant product, article, or means of conveyance that becomes or has become affected with or exposed to any pest or disease because of a violation of an agreement for the control and eradication of diseases or pests or a violation of this title by the owner.".

(2) CONFORMING AMENDMENT.—Section 415 of such Act (7 U.S.C. 7715) is amended by striking subsection (e).

SEC. 403. AGRICULTURAL QUARANTINE INSPECTION ACTIVITIES AT PORTS OF ENTRY.

(a) TRANSFER OF CERTAIN AGRICULTURAL IMPORT AND ENTRY FUNCTIONS BACK TO USDA.—

(1) IN GENERAL.—There shall be transferred to the Secretary of Agriculture the functions of the Secretary of Homeland Security relating to agricultural import and entry inspection activities under the Plant Protection Act (7 U.S.C. 7701 et seq.).

(2) TRANSFER AGREEMENT.—Before the end of the transition period, the Secretary of Agriculture and the Secretary shall enter into an agreement to effectuate the transfer of functions required by para-

graph (1). The Secretary of Agriculture and the Secretary may jointly revise the agreement as necessary thereafter.

(3) TRANSFER OF DHS EMPLOYEES.—Not later than the end of the transition period, the Secretary of Homeland Security shall transfer to the Secretary of Agriculture not less than 2,600 full-time equivalent positions of the Department of Homeland Security.

(4) CONFORMING AMENDMENT.—Section 421(b) of the Homeland Security Act of 2002 (6 U.S.C. 231(b)) is amended by—

(A) striking paragraph (4); and

(B) redesignating paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively.

(5) TRANSITION PERIOD DEFINED.—In this subsection, the term ''transition period'' means the period ending on the date that is one year after the date of the enactment of this Act.

(b) RISK MITIGATION REVIEW COMMITTEES.—The Secretary of Agriculture shall establish State and regional risk mitigation review committees to assist the Secretary in assessing disease and pest threats, trends, and condi-

tions. Such committees shall include staff of State departments of agriculture and other appropriate persons.

SEC. 404. ANIMAL AND PLANT HEALTH INSPECTION SERVICE EXPORT DIVISION.

(a) ESTABLISHMENT.—The Administrator of the Animal and Plant Health Inspection Service shall establish a sanitary and phytosanitary export petitions division within the Animal and Plant Health Inspection Service.

(b) DUTIES.—The division established under subsection (a) shall—

(1) process sanitary and phytosanitary export petitions;

(2) establish a public docket for sanitary and phytosanitary export petitions; and

(3) complete review of sanitary and phytosanitary export petitions filed on or before the date of the enactment of this Act not later than five years after such date.

SEC. 405. CONSULTATIONS ON SANITARY AND PHYTOSANITARY RESTRICTIONS FOR FRUITS AND VEGETABLES.

(a) CONSULTATIONS ON SANITARY AND PHYTOSANITARY RESTRICTIONS FOR FRUITS AND VEGETABLES.—The Secretary of Agriculture shall, to the greatest practicable extent, consult with interested persons on

sanitary and phytosanitary trade issues. The consultation shall include—

(1) annual briefings to interested persons, including Congress;

(2) the development of a strategic risk management framework; and

(3) where appropriate, implementation of peer review for risk analysis.

(b) AMENDMENTS.—Section 2104(b)(2)(A)(ii)(II) of the Bipartisan Trade Promotion Authority Act of 2002 (19 U.S.C. 3804(b)(2)(A)(ii)(II)) is amended—

(1) by striking ''whether the products so identified'' and inserting ''whether—

''(aa) the products so identified''; and

(2) by adding at the end the following:

''(bb) any fruits or vegetables so identified are subject to or likely to be subject to unjustified sanitary or phytosanitary restrictions, including those not based on scientific principles in contravention of the Uruguay Round Agreements, as determined by the United States Trade Representative in consultation with the Agricul-

tural Technical Advisory Committee for Trade in Fruits and Vegetables of the Department of Agriculture; and''.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) apply with respect to the initiation of negotiations to enter into any trade agreement that is subject to the provisions of section 2103(b) of the Bipartisan Trade Promotion Authority Act of 2002 (19 U.S.C. 3804(b)) on or after the date of the enactment of this Act.

SEC. 406. MULTI-SPECIES FRUIT FLY RESEARCH AND STERILE FLY PRODUCTION.

(a) CONSTRUCTION.—The Secretary of Agriculture shall construct a warehouse and irradiation containment facility in Waimanalo, Hawaii, to support fruit fly rearing activities and to house an irradiation to sterilize fruit flies.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated—

(1) $15,000,000 for the construction of a warehouse and irradiation containment facility pursuant to subsection (a); and

(2) $1,000,000 for fiscal year 2008 and each subsequent fiscal year for maintenance to the facilities constructed pursuant to this section.

SEC. 407. AUDIT-BASED APPROACH TO SPECIALTY CROP PHYTOSANITARY REGULATION.

(a) ESTABLISHMENT.—The Secretary of Agriculture shall establish a grant program to develop an audit-based inspection program to protect against the spread of plant pests and to facilitate the interstate movement of plants and plant products.

(b) PROGRAM.—The program established under subsection (a) shall provide grants and other assistance to specialty crop growers or organizations representing such growers or to State and local agencies working with growers and organizations representing such growers for development and implementation of inspection systems based on audit-based systems such as best management practices to address plant pest and to mitigate the risk of plant pests in the movement of plants and plant products.

(c) FUNDING.—The Secretary shall use $5,000,000 of the funds of the Commodity Credit Corporation for each of fiscal years 2008 through 2012 to carry out this section.

SEC. 408. EARLY PEST DETECTION AND SURVEILLANCE IMPROVEMENT PROGRAM.

(a) COOPERATIVE AGREEMENTS AUTHORIZED.—The Secretary of Agriculture shall enter into a cooperative agreement with each State department of agriculture that agrees to conduct early pest detection surveillance activi-

ties in accordance with guidelines established under the Cooperative Agricultural Pest Survey program of the Department of Agriculture.

(b) CONSULTATION.—The Secretary shall consult with the National Plant Board and the National Association of State Departments of Agriculture in carrying out this section.

(c) BASE FUNDS UNDER AGREEMENTS.—The Secretary shall provide each State department of agriculture with which the Secretary enters into a cooperative agreement under this section not less than $250,000 for each of fiscal years 2008 through 2012.

(d) ADDITIONAL FUNDS; SPECIAL CONSIDERATIONS.—In addition to funds provided under subsection (c), the Secretary shall provide funds to a State department of agriculture that the Secretary determines is in a State that has a high risk of being affected by one or more pest, based on the following factors:

(1) The number of international airports and maritime facilities in that State.

(2) The volume of international passenger and cargo entry into that State.

(3) The geographic location of that State and if such location is conducive to agricultural pest and

disease establishment due to the climate or crop diversity of that State.

(4) Whether the Secretary has declared an emergency in that State pursuant to section 442 of the Plant Protection Act (7 U.S.C. 7772) due to an agricultural pest or disease of Federal concern.

(5) Such other factors as the Secretary considers appropriate.

(e) USE OF FUNDS.—

(1) PEST DETECTION AND SURVEILLANCE ACTIVITIES.—A State department of agriculture that receives funds under this section shall use the funds to carry out early pest detection and surveillance activities to prevent the introduction of a pest or facilitate the eradication of a pest.

(2) SUBAGREEMENTS.—Notwithstanding this section, a State department of agriculture may use funds received under subsection (c) or (d) to enter into subagreements with political subdivisions in such State that have legal responsibilities relating to agricultural pest and disease surveillance.

(3) TREATMENT OF FUNDS.—Not more than 5 percent of the funds provided under subsection (c) or (d) may be used for administrative costs to carry out a cooperative agreement under this section.

(f) NO EFFECT ON PILT PAYMENTS.—The receipt of funds by the department of agriculture under this section shall have no effect on the amount of any payment received by the State of such State department of agriculture under chapter 69 of title 31, United States Code.

(g) FUNDING.—The Secretary shall use $50,000,000 of the funds of the Commodity Credit Corporation for each of fiscal years 2008 through 2012 to carry out this section.

(h) DEFINITIONS.—In this section:

(1) STATE DEPARTMENT OF AGRICULTURE.—The term ''State department of agriculture'' means an agency of a State that has a legal responsibility to perform early pest detection and surveillance activities.

(2) EARLY PEST DETECTION AND SURVEILLANCE.—The term ''early pest detection and surveillance'' means the full range of activities undertaken to find newly introduced pests, whether new to the United States or new to certain areas of the United States, before the pests become established, or before pest infestations become too large and costly to eradicate or control.

(3) PEST.—The term ''pest'' has the meaning given the term ''plant pest'' in section 403(14) of the Plant Protection Act (7 U.S.C. 7702(14)).

TITLE V—NUTRITION

SEC. 501. FINDINGS.

Congress finds the following:

(1) Fruits and vegetables offer consumers a healthy and nutritious product that is recognized as critical to the prevention of heart disease, stroke, and some cancers and other chronic diseases, the reduction of obesity and diabetes, and the maintenance of overall good health.

(2) Proper nutrition is critical in promoting good health, preventing disease, and improving quality of life.

(3) Agriculture policies and related domestic and international nutrition assistance programs should support incentives and key strategies that help Americans reach national health goals and ultimately reduce health care costs.

SEC. 502. EXPANSION OF FRESH FRUIT AND VEGETABLE PROGRAM.

Section 18 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769) is amended in subsection (g)—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by striking ''July 2004'' and inserting ''July 2007''; and

(B) by amending subparagraphs (A) and (B) to read as follows:

''(A) 100 elementary or secondary schools in each State;

''(B) additional elementary or secondary schools in each State in proportion to the student population of the State; and'';

(2) in paragraph (3)(A), by striking ''paragraph (1)(B)'' and inserting ''paragraph (1)'';

(3) in paragraph (5), in each of subparagraphs (A) and (B), by striking ''2008'' and inserting ''2011''; and

(4) in paragraph (6)(B)—

(A) in clause (i)—

(i) by striking ''October 1, 2004, and on each October 1 thereafter,'' and inserting ''October 1, 2007, and on each October 1 thereafter,''; and

(ii) by striking ''$9,000,000'' and inserting ''$300,000,000''; and

(B) by adding at the end the following:

"(iii) ADMINISTRATIVE EXPENSES.—For fiscal year 2008 and each succeeding fiscal year, of the amount available to carry out this subsection, the Secretary may reserve not more than 1 percent of that amount for administrative expenses in carrying out this subsection.

"(iv) STATE ADMINISTRATIVE COSTS.—For fiscal year 2008 and each succeeding fiscal year, of the amount received by a State to carry out this subsection, the State may use not more than 5 percent of that amount for administrative expenses in carrying out this subsection. To be eligible to use such funds for such expenses, the State must submit to the Secretary a plan indicating how the State intends to use such funds.

"(v) FEDERAL REQUIREMENTS.—The Secretary shall establish requirements to be followed by States in administering this subsection. The initial set of requirements shall be established not later than 1 year after the date of the enactment of this clause.".

SEC. 503. FRUIT AND VEGETABLE NUTRITION PROMOTION PROGRAM.

(a) IN GENERAL.—The Secretary of Agriculture, acting through the Administrator of the Agricultural Marketing Service, shall establish and carry out a program to provide assistance to eligible trade organizations described in subsection (c) in support of efforts to increase the consumption of fruits and vegetables in the United States to meet Federal health guidelines.

(b) REQUIREMENTS FOR PARTICIPATION.—To be eligible for assistance under this section, an eligible trade organization shall—

(1) submit to the Administrator of the Agricultural Marketing Service a plan, meeting such guidelines as the Administrator may establish, to increase the consumption of fruits and vegetables in the United States; and

(2) meet any other requirements established by the Administrator.

(c) ELIGIBLE TRADE ORGANIZATIONS.—An eligible trade organization referred to in subsection (a) means any of the following:

(1) A nonprofit fruit and vegetable trade organization in the United States;

(2) A nonprofit State or regional fruit and vegetable organization.

(3) A fruit and vegetable agricultural cooperative in the United States.

(4) A commodity board or commission in the United States.

(5) A business engaged in the fruit and vegetable industry in the United States.

(d) MATCHING FUNDS.—Assistance provided under this section shall not exceed—

(1) in the case of an entity referred to in paragraphs (1) through (4) of subsection (c), 50 percent of the cost of the plan submitted by the entity under subsection (b) and approved by the Administrator of the Agricultural Marketing Service; and

(2) in the case of a business referred to in paragraph (5) of such subsection, 50 percent of the cost of the plan submitted by the business under subsection (b) and approved by the Administrator.

(e) FUNDING.—The Administrator of the Agricultural Marketing Service shall use the funds of the Commodity Credit Corporation to carry out this section in the following amounts:

(1) $25,000,000 for each of fiscal years 2008 and 2009.

(2) $50,000,000 for fiscal year 2010.

(3) $75,000,000 for fiscal year 2011.

(4) $100,000,000 for fiscal year 2012.

SEC. 504. USE OF "DIETARY GUIDELINES FOR AMERICANS" IN SPECIAL NUTRITION PROGRAMS AND SCHOOL LUNCH PROGRAMS.

Section 9(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(a)) is amended by adding at the end the following:

"(5) ALLOCATIONS TO BE BASED ON DIETARY GUIDELINES.—For school year 2007 and each school year thereafter, the Secretary shall ensure that allocations of food and food ingredients offered in school nutrition programs under this Act and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) are based on the most recent Dietary Guidelines for Americans.".

SEC. 505. SECTION 32 SPECIALTY CROP PURCHASES.

(a) MINIMUM LEVEL OF PURCHASES.—Section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) is amended in the sixth sentence by inserting after "and their products" the following: ", and, for each of fiscal years 2008 through 2012, the Secretary of Agriculture shall devote not less than $400,000,000 of sums appropriated under this section to purchases of non-basic agricultural commodities, such as fruits, vegetables, and other specialty food crops".

(b) EXPANSION OF DOD FRESH PROGRAM.—Such section is further amended by inserting after the sixth sentence, as amended by subsection (a), the following new sentence: ''Of the funds specified in the preceding sentence, the Secretary of Agriculture shall expend not less than $50,000,000 for fiscal year 2008, $75,000,000 for both fiscal years 2009 and 2010, $100,000,000 for fiscal year 2011, and $125,000,000 for fiscal year 2012 for the purchase of fresh fruits and vegetables for distribution to schools and service institutions in accordance with section 6(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1755(a)).''.

SEC. 506. SCHOOL PREFERENCE STUDY.

The Secretary of Agriculture shall carry out a study on the preferences of elementary and secondary schools for commodity distribution, including the extent to which such schools prefer commodity distribution to include fruits and vegetables, and submit to Congress a report on the results of the study. The report shall include an analysis of the logistical issues that would impede efforts to increase the extent to which commodity distribution to schools includes fruits and vegetables, and shall include recommendations for improving the availability of fruits and vegetables to schools.

SEC. 507. INDEPENDENT EVALUATION OF DEPARTMENT OF AGRICULTURE COMMODITY PURCHASE PROCESS.

(a) EVALUATION REQUIRED.—The Secretary of Agriculture shall arrange to have performed an independent evaluation of the commodity purchasing processes (and the statutory and regulatory authority underlying such processes) used by the Department of Agriculture to remove surplus commodities from the market and support commodity prices and producer incomes, especially with regard to activities under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) and the importance of increasing purchases of perishable specialty crops.

(b) SUBMISSION OF RESULTS.—Not later than one year after the date of the enactment of this Act, the Secretary of Agriculture shall submit to Congress a report on the results of the evaluation.

SEC. 508. AMENDMENTS TO THE FOOD STAMP PROGRAM.

(a) DEFINITION.—Section 3 of the Food Stamp Act of 1977 (7 U.S.C. 2012) is amended by adding at the end the following:

''(v) 'food stamp nutrition education' means direct education, group activities, community health promotion, and comprehensive public health approaches (including but not limited to, social marketing, mass media, public-private partnerships, policy, systems and environmental

changes, and evaluation) that promote healthy eating and make healthy food and physical activity choices more desired, affordable, and accessible. To serve all those potentially eligible for food stamps, nutrition education programs should be designed to reach large numbers of low-income individuals. Programs shall support behavior change consistent with the 2005 Dietary Guidelines for Americans, including a diet rich in fruits and vegetables, whole grains, and low-fat milk products.''.

(b) ADMINISTRATION.—Section 11(e)(1)(A) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(1)(A) is amended by inserting '', and provide food stamp nutrition education'' after ''program'' .

SEC. 509. SENSE OF THE CONGRESS REGARDING NUTRITIONAL SUPPLEMENTS.

It is the sense of the Congress that benefits provided under the Food Stamp Act of 1977 should not be available to purchase nutrition supplements or anything other than food.

SEC. 510. FOOD STAMP FRUIT AND VEGETABLE EBT PILOT PROJECT.

(a) FINDING.—The Congress finds that increased consumption of fruits and vegetables by participants in the food stamp program will significantly improve the overall dietary habits of such participants.

(b) PILOT PROJECT.—The Secretary of Agriculture shall establish and carry out a pilot project that will provide to each participant in the food stamp program who receives benefits in the form of an electronic benefit transfer, financial incentives for each dollar of such benefits expended by such recipient to facilitate the purchase of fresh fruits and vegetables.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $10,000,000 for each of 5 fiscal years to carry out this section.

SEC. 511. DECENNIAL EVALUATIONS OF WIC FOOD PACKAGES.

Section 17(e) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(e)) is amended by adding at the end the following:

"(6) DECENNIAL EVALUATION.—In 2015, and every 10 years thereafter, the Secretary shall arrange for the National Academy of Sciences, Institute of Medicine, to evaluate, in light of the most recent Dietary Guidelines for Americans, the food packages used in carrying out this section and to recommend changes to those packages to reflect current public health concerns, nutrition science, and the diverse cultures the program serves.".

SEC. 512. EXTENSION OF WIC FARMERS' MARKET NUTRITION PROGRAM.

Section 17(m)(9)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)(9)(A)) is amended—

(1) in clause (i), by striking "2009" and inserting "2013"; and

(2) by striking clause (ii) and inserting the following:

"(ii) MANDATORY FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this subsection $20,000,000 for fiscal year 2008, $30,000,000 for fiscal year 2009, $45,000,000 for fiscal year 2010, $60,000,000 for fiscal year 2011, and not less than $75,000,000 for fiscal year 2012 and each fiscal year thereafter. Such funds shall remain available until expended.".

SEC. 513. SENIOR FARMERS' MARKET NUTRITION PROGRAM.

Section 4402 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3007) is amended—

(1) in subsection (a) by striking "$5,000,000" and all that follows through "2007", and inserting "$20,000,000 for fiscal year 2008, $30,000,000 for

fiscal year 2009, $45,000,000 for fiscal year 2010, $60,000,000 for fiscal year 2011, and not less than $75,000,000 for fiscal year 2012 and each fiscal year thereafter'';

(2) in subsection (b)—

(A) in paragraph (2) by striking ''and'' at the end,

(B) in paragraph (3) by striking the period at the end and inserting ''; and'', and

(C) by adding at the end the following:

''(4) to promote the transition to organic and other environmentally beneficial food production systems.''; and

(3) by adding at the end the following new subsection:

''(d) ELIGIBLE PARTICIPANTS; BENEFIT LEVELS.—The regulations required by subsection (c)—

''(1) shall allow for participation by farmers' markets, and roadside stands, community supported agriculture programs; and

''(2) shall not limit the ability of State or regional programs to set benefit levels per individual senior.''.

TITLE VI—AGRICULTURAL RESEARCH

SEC. 601. SPECIALTY CROPS ECONOMIC AND POLICY RESEARCH INSTITUTE.

(a) ESTABLISHMENT.—A Specialty Crop Economic and Policy Research Institute is established to study economic and public policy issues that affect the competitiveness of United States specialty crops from a regional and national perspective.

(b) MEMBER INSTITUTIONS.—The Specialty Crop Economic and Policy Research Institute shall operate as a collaborative among the following academic institutions:

(1) Arizona State University: Morrison School of Management and Agribusiness.

(2) California Polytechnic State University, San Luis Obispo: California Institute for the Study of Specialty Crops.

(3) California State University, Fresno: Center for Agricultural Business.

(4) Cornell University: Department of Applied Economics and Management.

(5) Michigan State University: Department of Agricultural Economics.

(6) University of California: Agricultural Issues Center.

(7) University of Florida: International Agricultural Trade and Policy Center.

(8) Washington State University: IMPACT Center.

(c) MANAGEMENT.—The Specialty Crop Economic and Policy Research Institute shall be coordinated and managed by the California Polytechnic State University, San Luis Obispo. The California Polytechnic State University shall direct funding to, and coordinate and facilitate the economic and policy research activities of, the members institutions.

(d) OTHER PARTICIPATION.—The members of the Specialty Crop Economic and Policy Research Institute are encouraged to collaborate with other universities, academic bodies, and researchers with regional and national expertise.

(e) ADVISORY BOARDS.—

(1) NATIONAL ADVISORY BOARD.—

(A) ESTABLISHMENT.—The Specialty Crop Economic and Policy Research Institute shall establish a national advisory board.

(B) MEMBERSHIP.—The national advisory board shall be comprised of the following:

(i) A representative of the regional advisory boards.

(ii) A representative of each of the members of the Specialty Crop Economic and Policy Research Institute.

(iii) A representative from the Office of Chief Economist or Economic Research Service of the Department of Agriculture.

(iv) A representative from the Committee on Agriculture of the House of Representatives.

(v) A representative from the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(C) CHAIRPERSON.—A chairperson for the national advisory board shall be chosen by consensus of the members of the board.

(2) REGIONAL ADVISORY BOARD.—

(A) ESTABLISHMENT.—Each member of the Specialty Crop Economic and Policy Research Institute representing a region of the United States, including Great Lakes

States, Mountain States, Northeast States; Northwest States, Southern States, and Western States shall establish a regional advisory board and appoint the members of that advisory board.

(B) MEMBERSHIP.—The regional advisory boards shall be comprised of specialty crop producers from the region's States. The Secretary, Commissioner, or Director of the region's State agriculture departments shall be invited to participate in the regional advisory board as ex officio members.

(C) CHAIRPERSON.—A chairperson of each regional advisory board shall be chosen by consensus of the members of that board.

(3) ROLE.—The role of the advisory boards shall be to—

(A) provide information and prioritize economic and public policy issues from a regional and national perspective; and

(B) review and comment in regards to the research projects funded by the Spe-

cialty Crop Economic and Policy Research Institute.

(4) ANNUAL MEETING.—The advisory boards shall each meet, at minimum, annually.

(f) INSTITUTE OBJECTIVES.—The objectives of the Specialty Crop Economic and Policy Research Institute shall be as follows:

(1) To provide Congress with a resource for analysis of the specialty crop sector, including the impact of changes in domestic and international markets, production and new product technologies, alternative policies and macroeconomic conditions on specialty crop production, use, farm and retail prices, and farm income and financial stability from a national, regional, and farm-level perspective.

(2) To provide annual review of the economic state of the specialty crop industry from a regional perspective.

(3) To provide specialty crop producers with World Wide Web-based risk management tools that can be used to assess the impact of policy, market, and technological change on their production operations.

(4) To develop an information series that provides applied information useful to specialty crop

growers, their associations, and other interested stakeholders in evaluating that industry from a regional and national perspective.

(5) To disseminate the results of research through printed reports, workshops, specialty crop grower association meetings, and on the World Wide Web.

(6) To provide research and policy internship opportunities for undergraduate and graduate students.

(g) FUNDING.—

(1) IN GENERAL.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section the following:

(A) For fiscal year 2008, $3,800,000.

(B) For fiscal year 2009, $4,000,000.

(C) For fiscal year 2010, $4,000,000.

(D) For fiscal year 2011, $4,000,000.

(2) INDIRECT AND DIRECT.—The Secretary may use funds made available under this subsection for direct and indirect costs of carrying out this section. Indirect costs shall not to exceed 12.5 percent of the total costs.

SEC. 602. DEVELOPMENT OF SPECIALTY CROP PRIORITY FOR THE NATIONAL RESEARCH INITIATIVE.

The Secretary of Agriculture shall develop a specialty crop priority area within the overall areas of emphasis of the National Research Initiative. Funds available to the Secretary for the specialty crop priority area shall be expended on the applied research and extension programs that increase the quality of specialty crop research. The National Research Initiative peer review process shall include representation from the specialty crop sector.

SEC. 603. ESTABLISHMENT OF SPECIALTY CROP RESEARCH GRANTS PROGRAM FOR PRODUCERS TO IMPROVE EFFICIENCY AND COMPETITIVENESS.

(a) ESTABLISHMENT.—The Secretary of Agriculture shall establish a program to award grants to eligible entities to improve the efficiency and competitiveness of United States specialty crop producers.

(b) ELIGIBLE ENTITIES.—The Secretary shall determine eligible entities for grants under this section. Such entities shall include Federal agencies, nonprofit United States specialty crop trade organizations and foundations, nonprofit State and regional specialty crop organizations, United States specialty crop agricultural cooperatives, commodity boards and commissions, university research and extension programs, and businesses in the specialty crop industry.

(c) USE OF FUNDS.—Funds from grants under this program shall be used for one or more of the following:

(1) Research that addresses the short-term, intermediate, and long term needs of the United States specialty crop industry in production technology (such as plant breeding, pest management, production, physiology, food science, and nutrition).

(2) Mechanization, marketing, product development, food security, and food safety to improve the competitiveness of the United States specialty crop industry.

(3) Development and implementation of industry-specific strategic plans to prioritize research and develop United States specialty crop industry and research collaboration.

(d) FUNDING.—

(1) IN GENERAL.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available $200,000,000 for each of fiscal years 2008 through 2012 to carry out this section.

(2) FEDERAL COSTS.—Federal costs shall not exceed 50 percent of the total cost of a research project funded under this section.

SEC. 604. NATIONAL CLEAN PLANT NETWORK.

(a) ESTABLISHMENT.—There is established in the Department of Agriculture, as part of the Cooperative State Research, Education, and Extension Service, a program to be known as the ''National Clean Plant Network''. The Secretary of Agriculture shall use the network to develop a sustainable national funding source for clean planting stock programs for horticultural crops determined by the Secretary to be of priority for the United States. Such funding shall be used to award grants to entities that have the expertise, facilities, and climate necessary to efficiently produce, maintain, and distribute healthy planting stock for specialty crops.

(b) PRIORITIES.—Section 1408A(c) of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 3123a(c)) is amended by adding at the end the following:

''(4) Priorities for Federal research activities related to United States specialty crops.''.

(c) FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary of Agriculture shall make available $5,000,000 for each of fiscal years 2008 through 2012 to carry out this section.

SEC. 605. PRIORITIZING CURRENT FEDERAL RESEARCH ACTIVITIES FOR SPECIALTY CROPS.

The Secretary of Agriculture shall—

(1) coordinate with and assist producers and organizations comprised of key stakeholders working together to develop and implement applied research and extension related to the United States specialty crop industry;

(2) facilitate in the delivery of information to key stakeholders in a user-friendly form, in addition to a standard research publication, and reward providers for their abilities to deliver information to both the scientific community and the end-user;

(3) ensure that research and extension activities conducted by Federal agencies be required to have industry-appointed panels involved in the prioritization, administration, and oversight of use of Federal available to develop and implement applied research and extension related to the United States specialty crop industry; and

(4) ensure coordination among research initiatives funded and sponsored by the Department of Agriculture.

TITLE VII—RENEWABLE ENERGY

SEC. 701. INVENTORY OF SPECIALTY CROP BIOMASS WASTE AS PART OF ANNUAL ASSESSMENT OF RENEWABLE ENERGY RESOURCES.

Section 201 of the Energy Policy Act of 2005 (Public Law 109–58; 42 U.S.C. 15851) is amended—

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

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

''(c) INVENTORY OF SPECIALTY CROP BIOMASS.—

''(1) INVENTORY.—As part of each assessment of biomass renewable energy resources under subsection (a), the Secretary shall develop an inventory, on a State and county basis, of specialty crop biomass that could be potentially utilized in the production of electric energy, useful heat, transportation fuels, petroleum-based product substitutes, and other value-added products.

''(2) COOPERATION AND FUNDING.—The Secretary shall prepare the inventory in cooperation with the Secretary of Agriculture, and the Secretary of Agriculture may contribute up to $25,000,000 of funds of the Commodity Credit Corporation each fiscal year to assist in the development of the inven-

tory. Amounts contributed under this paragraph are in addition to amounts appropriated pursuant to the authorization of appropriations in subsection (d).

"(3) DEFINITIONS.—In this subsection:

"(A) SPECIALTY CROP.—The term 'specialty crop' has the meaning given that term in section 3(1) of the Equitable Agriculture Today for a Healthy America Act.

"(B) SPECIALTY CROP BIOMASS.—The term 'specialty crop biomass' means agricultural waste from specialty crop production, including waste derived from orchard tree crops, vineyard crops, and nut crops, and other fruit and vegetable byproducts or residues.".

SEC. 702. DEPARTMENT OF AGRICULTURE BIOENERGY PROGRAM.

(a) DEFINITION OF ELIGIBLE COMMODITIES UNDER PROGRAM.—Subsection (a)(3) of section 9010 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8108) is amended—

(1) by redesignating subparagraphs (B), (C), and (D) as subparagraphs (C), (D), and (E), respectively; and

(2) by inserting after subparagraph (A) the following new subparagraph:

"(B) specialty crop agricultural waste, including waste derived from orchard tree crops, vineyard crops, and nut crops, and other fruit and vegetable byproducts or residues.".

(b) REAUTHORIZATION.—Subsection (c) of such section is amended by striking paragraph (2) and inserting the following new paragraph:

"(2) $50,000,000 for each of fiscal years 2008 through 2012.".

SEC. 703. GRANTS FOR DEVELOPMENT OF SPECIALTY CROP BIOENERGY PROJECTS.

(a) BIOMASS COMMERCIAL USE GRANT PROGRAM.—The Secretary of Agriculture may make a grant to an eligible entity for the purpose of assisting the person to develop a business plan to use specialty crop waste and residues as a raw material to produce electric energy, sensible heat, transportation fuels, substitutes for petroleum-based products, or other value-added products.

(b) GRANT SHARE.—A grant under this section may not cover more than 50 percent of the cost to develop the business plan for which the grant is made.

(c) SELECTION.—The Secretary shall select grant recipients under this section after giving consideration to the anticipated public benefits of the project, including the quantity of specialty crop waste and residues to be used

1 by the resulting facility, opportunities for the creation or
2 expansion of specialty crop bioenergy industries, and the
3 potential for new job creation.

4 (d) MONITORING OF GRANT RECIPIENT ACTIVI-
5 TIES.—As a condition of a grant under this section, the
6 grant recipient shall keep such records as the Secretary
7 may require to fully and accurately disclose the use of the
8 grant funds.

9 (e) REPORT.—Not later than October 1, 2010, the
10 Secretary of Agriculture shall submit to Congress a report
11 describing the results of the grant program authorized by
12 this section.

13 (f) FUNDING.—Of the funds of the Commodity Cred-
14 it Corporation, the Secretary of Agriculture shall make
15 available—

16 (1) $25,000,000 for fiscal years 2008 and
17 2009,

18 (2) $50,000,000 for fiscal year 2010, and

19 (3) $75,000,000 for fiscal years 2011 and
20 2012,

21 to carry out this section.

22 (g) DEFINITION.—In this section, the term ''eligible
23 entity'' means a college, university, Indian tribe, State de-
24 partment of agriculture or energy, or research center con-

ducting scientific research on ethanol production from specialty crops.

TITLE VIII—MISCELLANEOUS PROVISIONS

SEC. 801. SPECIALTY CROP BLOCK GRANTS.

(a) EXTENSION OF PROGRAM.—Subsection (a) of section 101 of the Specialty Crops Competitiveness Act of 2004 (Public Law 108–465; 7 U.S.C. 1621 note) is amended by striking ''2009'' and inserting ''2012''.

(b) FUNDING SOURCE AND INCREASE IN ANNUAL FUNDING.—Subsection (i) of such section is amended to read as follows:

''(i) FUNDING.—The Secretary of Agriculture shall use $500,000,000 of funds of the Commodity Credit Corporation for each of the fiscal years 2008 through 2012 to make grants under this section.''.

(c) CONFORMING AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by striking ''Subject to the appropriation of funds to carry out this section'' and inserting ''Using the funds made available under subsection (i)'';

(2) in subsection (b), by striking ''appropriated pursuant to the authorization of appropriations in'' and inserting ''made available under''; and

(3) in subsection (c), by striking ''Subject to the appropriation of sufficient funds to carry out this subsection, each'' and inserting ''Each''.

SEC. 802. FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT; REQUESTS BY STATE AGENCIES FOR EXEMPTIONS.

Section 18 of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136p) is amended—

(1) by striking ''The Administrator may,'' and inserting the following:

''(a) IN GENERAL.—The Administrator may,''; and

(2) by adding at the end the following:

''(b) REQUEST FOR EXEMPTION; REPORT TO CONGRESS IN CASE OF DELAY.—If a State agency requests an exemption under subsection (a) and the Administrator does not approve or deny the request within the 50-day period beginning on the date on which the request was submitted to the Administrator, the Administrator shall submit to the Committee on Agriculture in the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry in the Senate, a report that provides notice of such fact and an explanation of the reasons underlying the failure of the Administrator to approve or deny the request within such period.''.

SEC. 803. PROTECTION OF INTELLECTUAL PROPERTY RIGHTS IN PLANTS AND PLANT-DERIVED MATERIAL.

(a) ESTABLISHMENT.—The Secretary of Agriculture shall expand the Office of Technology Transfer of the Department of Agriculture for the purpose of encouraging the development and protection of intellectual property rights in plants and material derived from plants.

(b) DUTIES.—The office shall be an advocate for the interests of United States producers of specialty crops—

(1) before the Office of Patents, Trademarks, and Copyrights of the United States Department of Commerce and other Federal agencies; and

(2) in international governmental and non-governmental organizations dealing with intellectual property rights.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary of Agriculture $10,000,000 for each of fiscal years 2008 through 2012 to carry out this section.

SEC. 804. GRANT PROGRAM TO IMPROVE TRANSPORTATION INFRASTRUCTURE TO REDUCE COST OF TRANSPORTATION OF SPECIALTY CROPS.

(a) GRANTS AUTHORIZED.—The Secretary of Agriculture, acting through the Transportation Services Branch of the Department of Agriculture, may make

grants under this section to an eligible entity described in subsection (b)—

(1) to expand and improve transportation infrastructure to improve the cost-effective movement of specialty crops to local, regional, national, and international markets; and

(2) to address regional intermodal transportation deficiencies that adversely affect the movement of specialty crops to markets inside or outside the United States.

(b) ELIGIBLE GRANT RECIPIENTS.—Grants may be made under this section to any of the following (or a combination thereof):

(1) State and local governments.

(2) Grower cooperatives.

(3) Individual specialty crop producers or groups of producers.

(4) Individual shippers or State or regional producer and shipper organizations.

(5) Nonprofit organizations involved in the trucking trade and research related to the trucking trade.

(c) MATCHING FUNDS.—The recipient of a grant under this section shall contribute an amount of non-Federal funds toward the project for which the grant is pro-

vided that is at least equal to the amount of grant funds received by the recipient under this section.

(d) FUNDING.—The Secretary of Agriculture shall use $75,000,000 of funds of the Commodity Credit Corporation for each of the fiscal years 2008 through 2012 to make grants under this section.

SEC. 805. ADDITIONAL FUNDS FOR AGRICULTURAL MARKETING SERVICE SPECIALTY CROP MARKET NEWS ACTIVITIES.

From funds of the Commodity Credit Corporation, the Secretary of Agriculture shall transfer $9,000,000 for each of the fiscal years 2008 through 2012 to the Agricultural Marketing Service to support the market news activities of the Agricultural Marketing Service regarding specialty crops.

SEC. 806. VALUE-ADDED GRANTS TO PROMOTE CREATION, EXPANSION, OR OPERATION OF VALUE-ADDED PROCESSING OF SPECIALTY CROPS.

The Secretary of Agriculture shall use $60,000,000 of funds of the Commodity Credit Corporation for each of the fiscal years 2008 through 2012 to make grants to promote the creation, expansion, or operation of value-added processing in connection with the production of a specialty crop.

SEC. 807. ELIGIBILITY OF LABORERS ADMITTED FOR TEMPORARY RESIDENCE FOR RURAL HOUSING SERVICE FARM LABOR HOUSING.

(a) IN GENERAL.—Subparagraph (A) of section 514(f)(3) of the Housing Act of 1949 (42 U.S.C. 1484(f)(3)(A)) is amended—

(1) by striking ''or'' and inserting a comma; and

(2) by inserting before the semicolon the following: '', or a nonimmigrant described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(ii)(a))''.

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply with respect to loans and grants made on, before, or after the date of the enactment of this Act.

SEC. 808. FOOD SAFETY INITIATIVES.

(a) INITIATIVE AUTHORIZED.—The Secretary may carry out a food safety education program to educate the persons involved in the fresh produce industry and the public about—

(1) scientifically proven practices for reducing microbiological pathogens on fresh produce; and

(2) methods of reducing the threat of cross-contamination of fresh produce through unsanitary handling practices.

(b) COOPERATION.—The Secretary may carry out the program described in subsection (a) in cooperation with public or private partners.

(c) FUNDING.—The Secretary shall use $5,000,000 of the funds of the Commodity Credit Corporation for fiscal years 2008 through 2012 to carry out this section.

SEC. 809. IMPLEMENTATION OF FOOD SAFETY PROGRAMS UNDER MARKETING ORDERS.

Section 8c(7) of the Agricultural Adjustment Act (7 U.S.C. 608c(7)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by adding at the end the following:

> "(E) In the case of an order related to a specialty crop (as such term is defined in section 3(1) of the Specialty Crops Competitiveness Act of 2004 (Public Law 108–465; 118 Stat. 3883)), authorizing the implementation of food safety programs, such as the implementation of International Organization for Standardization 9000 standards and Hazard Analysis Critical Control Points programs, designed to enhance the safety of the specialty crop and products derived from specialty crops.".

SEC. 810. CENSUS OF SPECIALTY CROPS; DISSEMINATION OF INFORMATION.

(a) CENSUS.—

(1) IN GENERAL.—In 2008, and every five years thereafter, the Secretary of Agriculture shall conduct a census of specialty crops.

(2) INCLUSION IN CENSUS ON AGRICULTURE.—The Secretary may include the census conducted under paragraph (1) in the census on agriculture.

(b) DISSEMINATION OF INFORMATION.—The Secretary shall regularly develop and disseminate information to the public relating to specialty crops.

SEC. 811. OFFICE OF PESTICIDE PROGRAMS.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary of Agriculture shall establish an Office of Pesticide Programs (in this section referred to as the ''Office'').

(2) DIRECTOR.—The head of the Office shall be a director (referred to in this Section as the ''Director'') who shall—

(A) be appointed by the Secretary; and

(B) report directly to the Secretary or a designee of the Secretary.

(b) DUTIES.—The Director shall—

(1) develop and coordinate the policy of the Department of Agriculture on pest management and pesticides;

(2) coordinate activities and services of the Department (including research, extension, and education activities) regarding the development, availability, and use of economically and environmentally sound pest management tools and practices;

(3) assist other agencies of the Department in fulfilling the responsibilities of those agencies related to pest management or pesticides under—

(A) the Food Quality Protection Act of 1996 (7 U.S.C. 136 note; Public Law 104–170);

(B) the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.);

(C) the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.); and

(D) other applicable laws, as determined by the Secretary; and

(4) carry out such other functions as may be prescribed by the Secretary.

(c) INTERAGENCY COORDINATION.—The Director shall, to the maximum extent practicable, ensure coordination of interagency activities with—

(1) the Environmental Protection Agency;

(2) the Food and Drug Administration; and

(3) other applicable Federal and State agencies, as determined by the President.

(d) OUTREACH.—The Director shall consult with agricultural producers, as appropriate, that may be affected by pest management or pesticide related activities or actions of the Department or other agencies.

(e) FUNDING.—The Secretary shall use $5,000,000 of the funds of the Commodity Credit Corporation for each of fiscal years 2008 through 2012 to carry out this section.

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